

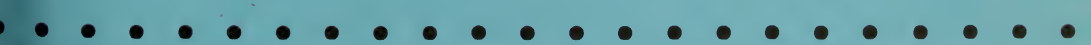
BUDGET STATEMENT

OF

THE HONOURABLE LESLIE M. FROST

Prime Minister and Treasurer of the Province of Ontario

1954



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in the

LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 11TH, 1954

On Moving the House Into Committee of Supply


Also Statements of
Economic, Financial and Statistical
Information



ONTARIO

TORONTO

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THURSDAY, MARCH 11TH, 1954

MR. SPEAKER:

It was a Thursday, March 16th, 1944—ten years ago—that I brought down my first budget. It was a wartime budget, but I am sure that what I now say bears out the prophecy of that time. I said:

“We are building not only for these times, we are planning for a greater population, for industrial expansion, for prosperous farms and for a happy and healthy people. We are laying the sure foundations for a greater and stronger Ontario.”

The years which have elapsed since that occasion have brought a fulfilment of those aims, and on this tenth anniversary, actually involving eleven annual budgets, it is my intention to give to the House a more comprehensive review of our activities than I have heretofore.

The years which have passed since that date ten years ago have been remarkable by any standard. They have brought difficulties and imposed arduous tasks, but they have also been years of more concentrated growth and progress than this Province has seen in any other corresponding period of its history.

The past year has been no exception. Although there have been some soft spots, all the chief economic indicators, such as capital investment, industrial production, mining and forestry output, housing and employment, reached higher levels and in most cases the highest level ever attained in Ontario. Capital investment in 1953 was about 7 per cent higher than in the previous year—reaching for the first time an annual rate of over \$2 billion.

I have spoken of soft spots. Rippling the broad surface of Ontario's economic prosperity have been the downward trend in farm incomes and the slackness which has arisen in the farm implement and textile industries and several other branches of industry, particularly in the electrical appliance sector. As a result, unemployment has been somewhat in excess of that which can be attributed to a normal seasonal trend. The plight of the gold mining industry, which has been the subject of study and attention by both

the Ontario and Federal Governments, has also been a matter of concern. Serious as these dislocations have been, overall employment in this Province has been more favourable than in the rest of Canada, and with the coming of spring, the normal seasonal pick-up in activity is expected to provide relief.

Every year presents its problems, and it is important to keep them in proper focus. Not long ago, we were in the throes of a great inflationary rise in prices which was causing hardship to people on relatively fixed incomes. For two years now, we have enjoyed a stable consumer price level. As average wages and salaries have continued to advance during this period, there has been a rise in real living standards.

There are many strong and vigorous elements in our economy which justify an attitude of confidence. For one thing, our domestic market is expanding rapidly. Ontario's population is currently growing at a rate of about 150,000 a year, 110,000 more than when I introduced my first budget. Since then our population has grown by over a million and, as I forecast a year ago, we now have passed the five million mark. It is not only that more than 50 per cent of the immigrants who come to Canada settle in Ontario, attracted by its fine living conditions and its opportunities for advancement, but that the number of persons born in Ontario has climbed steadily, reaching 130,000 last year—61 per cent more than in 1943. Several effects follow from this growth, which, in percentage terms, has been greater than that in the rest of Canada. Each year, we require an increase of at least 2½ per cent in the supply of a great variety of structures, commodities and wearing apparel just to keep our living standard from falling. Moreover, with our larger market, there will be a better balance between agriculture and manufacturing, and through doing more of our processing at home, we shall also secure, in greater measure, the economies of large scale production, with corresponding reductions in unit cost.

Aside from population growth, there are other factors that engender confidence. It is anticipated that the value of capital investment, which forms 22 per cent of all private and public spending in the Province, will be at least four per cent higher in 1954 than in 1953. Personal incomes and consumer spending continue to advance. The excesses which have foreshadowed economic slumps in the past have, in the main, been avoided. Farm indebtedness in relation to value of output has been reduced. Many corporations have large reserves, while the savings of the people, despite the inroads made by instalment and credit buying, are still at a high level.

We are hopeful that a start will be made this year upon the construction of the St. Lawrence River power project and the natural gas pipeline from Alberta to central Canada, which, with its ancillary and interceptor pipelines, will create many new employment opportunities. The Province and the municipalities are proceeding with a large volume of construction

which will extend into the next fiscal period. The tempo of housing construction will be sustained and probably accelerated, giving rise to demands over many years for electrical appliances, household furnishings and other products. All these demands come at a time when the ratio of our labour force to our total population will be at the lowest level that it has been for many years.

To meet the adjustments which will occur in various sectors of our economy, we need constantly to aim for flexibility and adaptability to changing conditions. We should recognize that in a dynamic economy, adjustment in industry and employment is the normal process by which production is adapted to demand. If normal influences fail, there is a variety of measures that will be brought into play to help cushion the downward swing. The Federal Government is committed to the policy of a high general level of employment and income, and the Province on its part will keep the situation under review and do everything possible within its more limited financial power to maintain stability. Furthermore, when these measures are brought into effect, we shall have reasonable assurance that similar steps will be taken on a fairly broad international basis. It is important, however, that we should keep in mind that the decisions governing the spending of 75 per cent of the gross national product in Canada are made by private individuals. An attitude of confidence will therefore do more to maintain high levels of income and employment than any other single factor.

SUMMARY OF EXPENDITURE AND REVENUE

In preparing this annual budget, I have again made certain changes in its form, which I hope will be conducive to a clear understanding of the financial and economic position of the Government and its programme.

Our fiscal programme, ordinary and capital, now exceeds \$450 million annually. The task of preparing a budget of such formidable dimensions not only requires months of very careful screening of departmental estimates and reconciliation of competing demands for our revenues, but also imposes a need for modernizing the form of its presentation.

Traditionally, the Province's expenditures have been classified as "ordinary" and "capital." This system follows sound accounting procedures, which are widely used in both government and industry, and it has merit. A surplus on ordinary account should, however, always be considered in the light of expenditure for new capital construction. If we run into any substantial volume of unemployment, we would be expected to play an active part in financing an expanded public works programme without increasing taxation. In such a period, we would resort more extensively to financing our capital programme by using our credit. But if we are to adhere to that policy in periods of general unemployment, then we should

apply as much of our current income as possible to capital account in periods of prosperity. Only in this way can we conserve our credit to meet the problems which lie ahead. Thus, there is no mystery to our plan of budgeting. It is this: to meet as large a proportion as is reasonably possible of our overall expenditures out of current revenue, while at the same time keeping our burden of provincial taxation well within moderate limits. On this latter point, I am glad to say there is incontrovertible evidence that the people of Ontario enjoy about the lowest provincial taxation in Canada.

This year, for the first time, I am presenting in an appendix to this budget detailed statements showing a four-year comparison of the Province's ordinary and capital revenues and expenditures, surplus and the effect of capital financing on the net debt. These statements afford the fullest information on the operations of the Government.

For the current fiscal year ending March 31, 1954, the net ordinary expenditure of the Government is estimated at \$361,167,000. This includes a number of special grants and payments, which I shall mention later, as well as a provision for sinking funds of \$16,945,000. The net ordinary revenue is estimated at \$362,176,000, which leaves an interim surplus on ordinary account of \$1,009,000.

SPECIAL GRANTS AND PAYMENTS

This fiscal year, 1953-54, we propose to pay to the public hospitals special grants which they may use for the retirement of capital debt or for rehabilitation purposes. Payments will be made to the hospitals at the rate of \$300 per bed for all recognized beds in service on December 31, 1953. A schedule is provided in the appendix showing the estimated payment to each hospital. I shall, however, give here a few examples illustrating the amounts that will be payable.

Peterborough, Civic Hospital	\$ 67,800
Peterborough, St. Joseph's Hospital	54,000
North Bay, Civic Hospital	30,300
North Bay, St. Joseph's Hospital	34,800
Toronto, East General Hospital	110,400
Toronto, St. Michael's Hospital	225,600
Galt, South Waterloo Memorial Hospital	50,700
Fort Frances, La Verendrye Hospital	30,000
Sioux Lookout, General Hospital	11,700

A special capital payment of \$1.0 million will also be made to the Ontario Cancer Treatment and Research Foundation for the new Institute building. The total cost of the whole Cancer project, including equipment, will be about \$9.5 million, of which the Province's share will be \$8.5 million and the Federal Government will contribute the remaining \$1.0 million.

With this grant, the Province will have paid out \$6.3 million towards the cost of this project, which includes the site, the erection of the Nurses' Residence and the provision of other facilities. As against an estimated cost of \$4.5 million for the new Institute building, the Foundation will now hold over \$3.0 million, including the \$2.0 million paid in 1952-53 and the above special grant of \$1.0 million, with which to proceed with the construction of the building.

A special capital grant of \$1.0 million will be paid to the University of Toronto to provide for an expansion of the College of Dentistry. Honourable Members will realize that there is a close relationship between dental and medical health. In Canada there are only five dental colleges, the largest of which is in Ontario. But with Ontario's population growth alone, expansion is necessary; with the demands from the other provinces, the need is immensely magnified. A substantial increase in the dental teaching facilities of Ontario is desirable not only from the standpoint of this Province but from that of Canada; and because of the nation-wide benefits which will result from our expanded dental teaching programme and the recognition that good dentistry makes for better health, it is hoped that the Government of Canada will join with Ontario in making a substantial contribution to the cost of this undertaking.

Special grants will be made to the other universities for building and other capital purposes. These will be in addition to the increased maintenance grants to which I shall refer later. The capital grants, including \$100,000 to the Royal Botanical Gardens, which is associated with the work of McMaster University, total \$3.0 million, as follows:

University of Toronto—for Faculty of Dentistry	\$1,000,000
Queen's University	525,000
University of Western Ontario	525,000
McMaster University (Hamilton College)—for instruction in the sciences	250,000
University of Ottawa—for Faculty of Medicine	250,000
Carleton College	150,000
Ontario College of Art	200,000

Total—Universities	\$2,900,000
Royal Botanical Gardens, Hamilton	100,000

Total	\$3,000,000

We are requesting the approval of the House to make payments of \$1.0 million to the Teachers' Superannuation Fund and \$1.0 million to the Public Service Superannuation Fund to strengthen these funds.

A special grant of \$350,000 will be recommended for payment to the Canadian National Institute for the Blind as a contribution to enable the Institute to establish facilities for rehabilitation and occupational services.

Supplementary Estimates will be introduced providing for the payment of these sums before the close of the present fiscal year.

HUMAN BETTERMENT: EDUCATION, HEALTH AND WELFARE

Education continues as one of our most pressing problems. Each year, school accommodation must be found for more than 60,000 new students and in another five years, this annual increase will exceed 70,000. To cope with last year's increase, \$48 million was spent to provide 1,610 classrooms in new schools or additions to existing schools, and it is apparent that an even larger building programme is foreordained. So far, the most urgent need has been for classrooms in the elementary schools. In about another decade, however, we should experience some slackening in this annual increase, owing to the smaller number now entering the family formation age groups. But from then on, the demand for secondary school facilities, which is already being felt, will press with increasing intensity. In the universities, enrolment has been receding from the post-war high levels and it should continue to decline for several more years, but following that, as the tide of school population moves upward through the elementary and secondary school grades, it will overflow existing university facilities.

We are therefore faced with a long-term expansion of our educational facilities, and if the million or more pupils who will shortly be attending our public schools are to be assured of a high standard of education, we must confine our assistance to basic essentials and strive for the strictest economy.

To provide more favourable conditions for professionally trained persons in teaching, salary scales have been substantially increased and successive improvements have been made by the Province in the Superannuation Plan for Ontario's 32,000 teachers. More than 2,000 teachers must be recruited each year to staff the additional classrooms and to provide replacements for retirements. Progress is being made on two new teachers' colleges, one in Toronto and the other in Hamilton, the latter to replace the old Normal School which was destroyed by fire in January, 1953.

The Ontario Government's expenditure on education in the current fiscal year ending March 31, 1954, including school grants of \$57.8 million and the special capital grants to universities and the College of Art, will total \$81.9 million. Next year, school grants, payable on the same formula, will rise \$3.6 million to \$61.4 million. Maintenance grants to the universities are also being increased, and for the fiscal year 1954-55 they will be as follows:

<i>Maintenance Grants</i>	<i>Fiscal Year</i> 1954-55
University of Toronto	\$4,700,000
Ontario College of Education	470,000
Queen's University	675,000
University of Western Ontario	675,000
McMaster University (Hamilton College)—for instruction in the sciences	225,000
University of Ottawa—for Medical Faculty	225,000
Carleton College	145,000
	<hr/> \$7,115,000 <hr/>

In developing this educational programme, we have not overlooked the need for assisting deserving students who have financial or physical handicaps. Under a programme inaugurated in 1943, over 1,500 students now receive bursaries every year to assist them to carry on their studies. A greatly increased number of scholarships are also provided by the Ontario Research Council, and just last year we inaugurated a plan for providing assistance of \$250 per year per pupil for the education of retarded children. Of more general benefit are our grants of up to \$3 per pupil per year for "free" text books in Grades I to X.

The Health programme is being carried forward on a broad front. The ordinary expenditure this year, including the \$7.0 million in special grants to hospitals, is estimated at \$53.3 million, an increase of \$2.6 million over last year. With this special payment of \$7.0 million, \$20.0 million will be paid out to the public general hospitals during 1953-54 to help defray their cost of operation, to retire debt and facilitate expansion. Since the inauguration in 1947 of the present hospital construction grants, the Province has committed itself to an expenditure of \$32.6 million, of which \$26.1 million had been paid out by December 31, 1953. These grants provide for the construction of over 18,000 hospital beds and 2,600 nursery bassinets.

The Ontario mental hospitals are being rapidly expanded. At the Ontario Hospital at Port Arthur, 460 new beds will be available in April, and, when fully completed, accommodation will be provided for 1,200 patients. At the Ontario Hospital in Brockville, another 600 beds will be completed in 1954. In addition, it is intended to make a start in Brockville this year on a 260-bed pavilion for disturbed patients. The new hospital at North Bay will provide a total capacity of 1,200 beds. At the Ontario Hospital at Smith's Falls, 1,100 beds are now occupied. It is intended to start a new addition to accommodate 600 patients and a Nurses' Residence for 125 at the Ontario Hospital, Hamilton. At the Ontario Hospital on Queen Street, Toronto, a medical, surgical and diagnostic clinical building, with 100 beds for admission and treatment of patients, is now being constructed. Construction is under way on the new 300-bed group of

hospital buildings for children at Orillia. There will also be an isolation building to accommodate 50 patients and a district laboratory. Fireproofing of the patients' buildings at all hospitals is being carried forward as rapidly as possible.

In addition to the extensions to mental hospitals, we undertook in 1951 to set up a plan for the treatment of mental and nervous cases. General hospitals were encouraged to build psychiatric units for preventive treatment. Up to the present, ten hospitals have established new psychiatric divisions providing 311 beds, for which the Province has approved capital grants of \$2.6 million.

Reference has been made to the Ontario Cancer Foundation for which an additional special capital grant, amounting to \$1.0 million, is being provided in this budget. When completed, one of the most advanced treatment and research institutes in North America will have been established at a cost of \$9.5 million.¹ Intensive studies have been conducted by both scientific and lay organizations to make the Ontario Cancer Treatment and Research Institute the most modern in facilities and practices known to science.

A new cobalt 60-beam therapy unit has been installed in a government building in Toronto, where it will be temporarily housed until the Cancer Institute is completed. An additional unit will soon be installed in the Lakehead area. During the coming fiscal year, measures will be adopted to intensify the fight against poliomyelitis. Increased attention will also be given to measures for eradicating ragweed, goldenrod and other noxious weeds which cause such discomfort, loss of efficiency and absence from work to sufferers of hay fever. Funds will be made available to implement a new policy of education and to secure stricter enforcement of present legislation.

In order to carry out our expanded programme of health services, we are asking for an appropriation of \$48.3 million for 1954-55, an increase of \$2.4 million over the amount provided a year ago.

In the field of welfare, several important steps will be taken to fill in gaps in our present system. The Charitable Institutions Act will be amended, raising the provincial grant for the construction of institutions for charitable cases from \$1,000 to \$2,000 per bed. The per capita per diem rate of payment to certain charitable institutions will also be raised. Mothers' allowances have been revised to permit payments for fuel for beneficiaries on the basis of individual need rather than according to a rigid formula, which in some instances did not fully meet the requirements of a family.

There is much satisfaction in the knowledge that the Government of Canada will participate with the provinces in making disabled persons'

¹For further details of the Province's assistance, see pages 8 and 9.

allowances available across Canada. Ontario, which at the 1952 session pioneered this new advance in welfare and has provided assistance to some 6,000 persons, is glad to know that its Act will serve as a model for the nation-wide plan. Having urged the Federal Government to take this step several years ago, it is most encouraging now to be able to look forward to its fulfilment.

New rehabilitation measures will also be instituted. A co-ordinator will be appointed to study the services being provided by the Departments of Health, Welfare, Education, Labour and Reform Institutions and to make recommendations as to the best means of re-establishing in positions of useful employment men and women who have handicaps and require some special public assistance.

The expansion of these three humanitarian services has been a notable feature of the Government's programme of social development. The year before I became Treasurer, the expenditures of the Government for education, health and welfare amounted to only \$34.6 million. This year, our expenditure on these three services will total \$159.6 million, a five-fold increase.

HOUSING

As predicted last March, more housing units were completed in Ontario in 1953 than in any previous year in Ontario's history. The total completions of new housing units and conversions amounted to 36,504—8,000 or 28 per cent more than in 1952, and 12 per cent more than in the previous record-breaking year, 1951. In the nine years since 1944, more than a quarter of a million houses have been built in Ontario, providing accommodation for a million people. On December 31, 1953, there were 24,134 dwellings under construction in Ontario, 18 per cent more than at the end of 1952. Thus, there is every likelihood that a new record in housing construction will be attained in 1954.

Housing activity increased rapidly in the Toronto region following the introduction of the metropolitan plan. By the end of 1953, there were 31 per cent more units under construction than on the corresponding date a year earlier, portending a much higher rate of completions this year than last.

To assist housing, we have developed a variety of partnership arrangements with the Federal Government. In many municipalities experiencing rapid population growth, urgent demands have arisen for serviced lots which can be made available at reasonable prices to private persons or builders who are desirous of constructing medium-priced houses. To facilitate this programme, large tracts of land have been acquired in many municipalities. Under agreements already signed, 7,000 serviced lots have

been, or are being, made available. Land has been acquired and negotiations are proceeding which should ultimately raise this total to 18,000 serviced lots. Rental housing projects are also being undertaken in an increasing number of municipalities. We are hoping to make marked progress in the Metropolitan Toronto area, where a considerable amount of land has been acquired to provide additional living accommodation under these various plans.

In addition to the serviced lot and rental projects, a subsidized rental housing plan has been projected as part of the Toronto Regent Park Development. This will consist of twenty blocks of 48 units each, making a total of 960 units. It will be the first time that multiple units have been constructed under the joint Federal-Provincial partnership, giving effect to the 1953 amendments to the National Housing Act.

I am again able to report progress in the repayments under the Government's second mortgage plan. By February 28, 1954, 3,480 loans out of a total of 14,695 had been fully repaid.

NATURAL RESOURCES: AGRICULTURE, FORESTRY AND MINING

Despite the fact that farm income has declined from its peak level, last year's was still one of the best in the industry's history. Moreover, during the last decade, the long term trend in Ontario farming has been very favourable. Farm indebtedness has been reduced, farmers have been retaining a much larger proportion of the income from the sale of their produce, and, despite a 25 per cent smaller labour force, they have raised their physical output by over 10 per cent.

The rapid adoption of electrical and mechanical devices on the farm and the introduction of scientific methods in farming and improved breeds of cattle have all played an important part in raising the real income of Ontario's farming industry. In the last decade, the number of motor trucks on Ontario farms has doubled, tractors have tripled, the number of grain combines has risen twelve-fold, twice as many Ontario farmers have been provided with electric power, nearly three times more farm dwellings have been equipped with inside running water, and four times more with refrigerators.

In carrying forward the work of agriculture in Ontario, the contributions of the Ontario Agricultural and Veterinary colleges and experimental farms and the extension work of the agricultural representative staff and field men have been of major importance. In the coming years, emphasis will be placed on measures to effect an orderly marketing of farm products, a greater stability of income for the farmers and an improved quality of product for consumers.

The rural areas of Ontario will continue to benefit from provincial assistance for the extension of electric power lines. Since December, 1943, 235,691 rural power customers have been added to the Hydro-Electric Power Commission lines, an increase of 173 per cent. Of these, 28,318 were connected in the past year. The Provincial Government's contribution in grants to this programme of rural electrification has totalled \$64.1 million in the last eleven years. So rapidly have lines been extended and customers provided with power in recent years that we are gradually narrowing the number of rural dwellers to whom it is economically feasible to provide electric power. The latest survey shows that about 85 per cent of rural dwellers are now supplied with electric power, and this percentage is even higher in the case of farmers.

Another programme which will be of major assistance to farmers and to the rural areas in general is presaged in the establishment of the Ontario Telephone Authority. This Authority is now entering on the second stage of operations started in 1951 for consolidating and improving the telephone services of the inhabitants of the rural parts of Ontario.

The mining industry of Ontario enjoyed another prosperous year. The value of its mineral output rose in 1953 to the unprecedented level of \$460.5 million, a rise of 3.6 per cent above that of a year ago. This increase was achieved despite a downward trend in the price of some metals and the depressed state of the gold mining industry. A committee to consider and report upon the economics of the gold mining industry of Ontario will shortly be appointed.

During the past year, several new discoveries and developments of major significance took place in Ontario. The discovery of copper, zinc and silver in the Manitouwadge area north of Lake Superior, first indicated in the report of a Provincial geologist twenty-two years ago, is of first-rate importance. Uranium finds in the Blind River and Haliburton areas are of exceptional interest. The Sudbury area has been the scene of great expansion and progress. These have been but a few of the more important developments, involving iron, nickel, copper, zinc, uranium, asbestos, gold, graphite and nepheline syenite, that have made Ontario the most active prospecting region in Canada. That Ontario still holds fascination for prospectors and offers rich prizes to the venturesome is attested by the nearly 9,000 miners' licences renewed or issued in 1953 and the record 27,000 claims registered.

The Government's programme of surveying and reporting on specific areas of the Province and of operating the Provincial Institute of Mining and its laboratories will be continued. Since we began providing funds for the construction of access roads to remote mining areas three years ago, \$2.0 million has been spent. In consequence, a number of excellent access and egress routes have been established, which have been of benefit not only to logging camps, but to forest industries and settlements in the northern

parts of the Province. To further this work, we are providing an additional \$1.0 million in the Estimates for 1954-55. The Government will also continue its programme of financial assistance to the municipalities within the major mining areas of the Province. Commencing this year, these payments will, of course, be supplemented by the Province's unconditional grants.

In forestry, where the value of production again resumed its upward trend after a moderate decline in 1952, a new stage is being introduced in the management of these renewable resources. The White Paper on Forestry has been presented to the Legislature for study and consideration. Inevitably, the proposals outlined in this White Paper involve long-range planning to ensure that the best methods will be adopted. To assist in the carrying out of this programme in its initial phases, the appropriation of the Department of Lands and Forests is being increased by \$150,000 for the use of the Timber Management Division. Additional funds will be allocated as this new programme takes more definite shape.

The combined net ordinary expenditure of these three departments—agriculture, mining and forestry—has been increased by 136 per cent since 1942-43. For 1954-55, it is proposed to increase the appropriation by \$486,000 over the current year's expenditure.

CONSERVATION

Many departments of the Government are concerned with the conservation of natural resources. It was back in 1944 that the Conservation Branch was first established to give special attention to this phase of our activities. Since that time, fifteen conservation authorities have been established throughout the Province, with a total membership of 256 municipalities embracing an area of 10,505 square miles. Moreover, municipalities in four additional watersheds are now considering plans for establishing such authorities. Up to the present, 26 surveys have been made covering watersheds, either in whole or in part, and as a result of the recommendations in these reports, major conservation projects have been undertaken as follows:

Conservation projects completed up to the present time:

Long Branch Flood Control	\$ 80,000
Ingersoll Channel Improvement	1,000,000
Port Franks Flood Control	120,000
Total	<u>\$1,200,000</u>

Work in progress and partly completed during the year 1953-54:

Fanshawe Dam and Reservoir	\$4,890,000
Conestogo Dam and Reservoir	5,400,000
Luther Marsh Dam	247,123
Deloro Dam	52,000
Brampton Flood Control	920,750
Total	<u>\$11,509,873</u>

In addition to these projects, a shelf of plans for further conservation and flood control has been prepared which, when carried out, will entail a capital investment of \$52 million. Additional sums will again be provided in the Estimates of the Department of Public Works to finance the Province's share of the cost of next year's capital programme. For instance, the land for the reservoir required in connection with the Conestogo Dam has been acquired and tenders will be called immediately to enable an early start on construction to be made.

Reforestation by organized conservation authorities is also being stressed. There are now agreements between seven of the authorities and the Department of Lands and Forests for this work, and so far, \$440,000 has been spent for land purchases, planning and management.

The conservation authorities serve as an effective educational force in promoting, with the co-operation of various Government departments, farm planning through little valley studies, the building of farm ponds and reforestation. More than 600 farm ponds have been built with the assistance of grants from the authorities and the Department of Agriculture since this programme was introduced. Public relations and educational activities in connection with schools, forestry clubs and other groups in the watershed are also important phases of their work. Grants for this purpose to the end of 1953 amounted to \$140,000.

During the coming fiscal year, 1954-55, expenditures on conservation by various departments will total \$16.5 million.

HIGHWAYS

During 1953, the number of motor vehicles registered in Ontario increased by 114,000, or 8.9 per cent, continuing the unbroken upward trend which has now lasted for eight years. It is a striking fact that while our population has increased by 25 per cent since 1945, the number of motor vehicles owned by Ontario residents using our highways and roads has risen by 112 per cent. Nor does this extraordinary increase fully measure the demands upon our provincial highway and road system. There are several reasons for this. Tourist travel by automobile has climbed even more. The number of traveller's vehicle permits issued last year was 177 per cent higher than in 1945. There has also been a pronounced tendency for Ontario motorists to drive more miles per year than heretofore. Another factor is the relatively greater increase in the number of motor transports, particularly of the heavier types, that are now using our highway system. For instance, the number of motor transports with a gross loaded weight of 5 tons or more rose between 1945 and 1953 by 126 per cent, and those of 10 tons or more by 883 per cent. There is little doubt that the amount of freight carried on Ontario's highway system has doubled in the last eight years.

It is anticipated that expenditures by the Department of Highways in the fiscal year 1953-54 will amount to \$127.2 million,¹ made up of \$55.4 million on ordinary account (\$95.9 million gross, less \$40.5 million transferred to Highway Reserve Account) and \$71.8 million on capital account, of which \$37.0 million will have been expended from the Highway Reserve Account. The Department has lived well within its appropriation on both ordinary and capital accounts. Nevertheless, for the third consecutive year we shall have spent on highways more than we have obtained in revenue from gasoline tax and motor vehicle licences.

During the twelve months which will end on March 31, 1954, the Department will have completed:

- (a) 175 miles of resurfacing of existing pavement and general improvement of the 10,500 miles of King's Highways and development roads;
- (b) 340 miles of gravel roads paved with hot mix;
- (c) 172 miles of roads surfaced with a light mulch pavement;
- (d) 302 miles of graded roads.

This makes a total of 989 miles of improved roads.

Several large projects, under construction for a number of years, have been brought into service in 1953-54, notably:

- (a) The 14-mile by-pass at Bracebridge on Highway No. 11;
- (b) The North Bay by-pass on a combination of Highways 11 and 17.

Among projects under construction are:

- (a) By-passes on the main highway routes in the vicinity of Windsor, London, Woodstock, Toronto, Trenton, Belleville, Kingston, Orillia, Washago, Emsdale and numerous other points in the Province, designed to continue the programme of relieving traffic congestion.

One of the most important of these projects is the 20 mile Toronto by-pass or interceptor road of the controlled access type, joining the Queen Elizabeth Way, Highways 27, 400, 11 and 2 with Highway 401 at the easterly limits of Metropolitan Toronto. With the exception of a few remaining structures now in the design stage, this route is all under contract for grading and the entire project is expected to be completed late in 1955.

- (b) The extension of intermediate highway routes designed to supplement the main traffic arteries.

Steady progress has been made in these operations, the chief of which is the connection between Highway 12 north of Brechin and Washago on Highway 11. The completion of this new line in combination with the Department's assumption of the former York County Suburban Route from the Toronto by-pass through Markham and Sutton will provide a direct route from the eastern Toronto and Oshawa area to the northern parts of the Province on the east side of Lake

¹Excluding \$1.0 million for mining access roads under capital expenditures of the Department of Mines.

Simcoe. Another important alternative route, which is now nearing completion, is the 16-mile diagonal route from Pontypool on Highway 35 to Highway 28, southwest of Peterborough.

(c) The Trans-Canada Highway.

This work is proceeding; 203 miles, or approximately 14 per cent, of the 1,404 mile route is now paved and complete. An additional 184 miles is under contract for grading, of which 80 per cent has been completed. Final grading contracts to finish the Ontario section between Ottawa and the Quebec border have now been let.

(d) The extension of highway service in Northern Ontario, including the grading work nearing completion on the Atikokan Highway.

The five-year plan of highway expansion announced in 1949 is ahead of schedule in the mileage of roads completed and in the number of bridges constructed and placed in service. The use of heavier and more efficient equipment and machines and the employment of mass production techniques have helped make this possible. Besides carrying out these greatly expanded activities of construction and maintenance, the Department has been able to place in service additional snow-plowing and sanding equipment and to extend the coverage of its teletype reports on driving conditions. With the steady climb in motor vehicle registrations and the mounting use of our highways, we must proceed with our expanded highway programme. Accordingly, \$124.3 million, including \$1.0 million for mining roads, is being provided in the fiscal year 1954-55 for this purpose. This provision will still leave an unexpended balance of \$21.5 million in the Highway Reserve Account which will be used as required.

PUBLIC WORKS

To keep pace with the growth of our population and the expansion in our industry, we have undertaken a large scale programme involving the acquisition of land and the construction of buildings for Ontario hospitals and the Ontario Agricultural College, conservation projects, the food terminal building at Etobicoke, warehouses, stations and other buildings to be used by the Departments of Lands and Forests and Reform Institutions, and the Provincial Police, Teachers' Colleges and the new provincial administration buildings.

In my last Budget, I listed a number of major construction projects that were either under way or planned, having a total value of \$65 million. During the present year, we will spend on capital account on these various undertakings the amount of \$18.0 million. In some cases, of course, these works will require several years before they are brought to completion. An additional amount of \$20 million is therefore being included as capital expenditure in the Estimates for 1954-55 to continue these projects. While the work under way represents a large programme of construction in itself,

it is considered advisable to include an additional sum of \$7.5 million to enable a start on new work to be made. This will make the total amount to be voted for the construction of new public buildings \$27.5 million. Particulars are shown in Appendix I.

ONTARIO HYDRO

To keep pace with Ontario's voracious demand for electric power, the facilities of Ontario Hydro have been greatly expanded over the past decade. The dependable peak capacity of the generating stations owned or operated by Ontario Hydro has been increased from 1,565,400 h.p. in December, 1943, to 3,863,900 h.p. in December, 1953—an increase of 2,298,500 h.p. or 147 per cent. During the year 1953, 320,710 h.p. was made available. Work is proceeding favourably at Niagara Falls, and it is estimated that in the next three years the Hydro's dependable peak capacity of its own generating plants will have been increased by another 1.6 million h.p., raising Hydro's total generating capacity in Ontario to 5.5 million h.p. by the end of 1956.

In addition to its own generated power, Ontario Hydro's supplies are augmented by substantial quantities of purchased power which in December, 1953, had a dependable peak capacity of 915,416 h.p. Thus, the dependable peak capacity of all power produced and purchased by Ontario Hydro at the end of 1953 amounted to nearly 4.8 million h.p. By December, 1956, with the additional power which is being made available at Niagara, it is anticipated that Ontario Hydro's total dependable peak capacity of both produced and purchased power will amount to over 6.3 million h.p. as against less than 2.5 million h.p. in December, 1943.

Ontario Hydro has spent \$1.0 billion on the construction of new generating plants, lines and equipment since November 1, 1945, but despite this expenditure and the tremendous increase in its electric power capacity, rising demands have absorbed all the electric energy that could be placed in service. After the completion of the new Niagara development, Ontario's next largest source of hydro electric power is the St. Lawrence River power project, from which its share will be 1.1 million h.p. Accordingly, we are making every effort to speed the development of this site.

During the present fiscal year, the Government has provided \$9.7 million to help finance rural power extensions, resulting in over 28,000 new rural customers being supplied with electric power.

ASSISTANCE TO MUNICIPALITIES

The coming fiscal year marks a signal event in the development of our programme of assistance to municipalities, with the payment of \$12 million under the new unconditional grants plan. It is estimated that in this current year we will pay out to municipalities, local school boards and

associated agencies a total of \$125.1 million, equal to 35 per cent of the Province's net ordinary expenditure and 45 per cent of last year's total municipal tax levy. During the coming year, we anticipate these grants will rise to \$134.0 million.

With the introduction of the new unconditional grants, we are terminating the payment for fire and police services, except for the Province's contribution to Superannuation and Workmen's Compensation funds, but the net result from this change is an increase of \$7 million in grants to the municipalities. The new grants can be used by the municipalities for any purpose, but they are related as closely as possible to their responsibility for health, welfare, the administration of justice and similar services. They represent a unique attempt to provide for the equitable distribution of the burdens placed upon the municipalities through the discharge of these responsibilities.

I think it may fairly be said that we have been doing our best to assist the municipalities. Of course, there is a limit to what any province can do. During the last eleven years, when demands for direct provincial services have also been heavy, we have stepped up our provincial assistance to municipalities seven times. The tempo of this assistance cannot be continued without increasing provincial rates of taxation or curtailing other government services. A more satisfactory solution to the municipal problem must, therefore, await a proper revision of taxation arrangements at the Federal-Provincial level, relating them more closely to federal, provincial and municipal responsibilities.

FEDERAL-PROVINCIAL RELATIONS

Nearly two years ago, Ontario entered into a Tax Rental Agreement with the Federal Government for a five-year period on a basis which we felt was to the advantage of both governments. Although we have never regarded this arrangement as the last word, we have considered it, for the time being, to be a reasonable approach to a difficult problem. I am now convinced that there is a more urgent need than ever for a fuller understanding of the problems of all governments—Federal, Provincial and Municipal.

I have increasingly felt the need for a closer integration of Federal, Provincial and Municipal policies to ensure the continuation of a high level of employment. In recent years, we have accelerated our capital spending for new highways and other public projects and, if necessary, we are prepared to extend that programme, which will be supplemented by Ontario Hydro's large capital expansion. On several occasions, I have urged that the Economic Committee, which was established at the Dominion-Provincial Conference of 1945-46, be re-appointed. This Committee—a fact-finding body, composed of technical advisors of the various governments—would not confine its inquiry solely to questions pertaining to the allocation of

responsibilities and tax sources. It would also undertake the study of problems dealing with economic stability, income and employment, timing of capital investment and public works, and public borrowings. The Committee would submit plans on these problems to a conference of provincial representatives or to their respective governments. Recently, rather painful adjustments have occurred in several industries and undoubtedly there will be others. Where these adjustments are acute and result in substantial unemployment, there should be some prescribed method for enabling governments to take action in unison. Unfortunately, the division of responsibility between the Federal and Provincial governments on unemployment matters is not clearly defined, nor have we made progress in implementing the public investment proposals discussed at the Dominion-Provincial Conference of 1945-46.

During this Conference in 1945-46, discussions were held concerning capital investment and planning and timing grants. The time has certainly come, indeed, if it has not passed, when we should be resuming our discussions on these questions. It may be necessary in the future to undertake, as a stabilizing measure, a larger capital programme than that upon which we are now engaged. In Canada, most of the projects which lend themselves to timing lie within the field of provincial and municipal jurisdiction. Accordingly, a working partnership between the Federal and Provincial governments is necessary. The task of maintaining high levels of income and employment will be difficult enough, even if we use every opportunity for co-operation, without adding to our problems the disabilities which result from pursuing diverse courses. An Economic Committee would help to keep under review our ever-changing problems, which are not going to be any less in the days ahead.

PROVINCIAL NET DEBT AND INVESTMENT IN RESOURCES

On March 2nd last, the Province sold in New York \$50 million of debentures, having an average maturity of 18.8 years at an average interest cost of 3.11 per cent, in order to raise money for Hydro's capital expenditure. This was one of the best issues any province has sold for several years, and it demonstrates that despite the formidable demands we have made on the money market, our credit ranks with the highest among the Canadian provinces.

In the eleven years that I have been Treasurer, the Province has issued its own bonds, or guaranteed Ontario Hydro bonds, totalling \$1,651 million. Of this immense total, only \$285 million was raised outside Canada, while the remainder—amounting to 83 per cent—was obtained in the home market. Hydro's capital requirements absorbed \$1.0 billion of these total borrowings, while over four-fifths of the Province's borrowing for its own purposes was for the refunding of maturing issues.

In preparing every post World War II budget, we have been confronted with inevitable commitments arising out of the deferment of construction and repairs during the war years, upon which have been superimposed the post-war expansion of our population and industry. Over this period of eleven years, we have brought into service physical assets in new highways, buildings, conservation projects and rural power extensions to a value of \$466.9 million; and it is a source of great satisfaction to us that we have capitalized only 35 per cent of this investment. In other words, we have used our surpluses above ordinary expenditures wisely to build up sinking funds and retire debt as an offset against the cost of these large capital undertakings. It is our intention to continue this policy, but it is apparent that with our capital spending geared to such a high level and our revenue showing considerably less buoyancy, we shall be obliged to keep an even tighter rein on our expenditures and exercise the most diligent care in husbanding our revenues.

While we have been able to add to the physical assets of the Province the value of \$466.9 million—and this does not include the grants paid out for the construction of schools, universities, hospitals and charitable institutions, which we have treated as ordinary expenditure—I am able to report that the net debt per capita is still considerably less than it was when I first became Treasurer. It is true that the net debt rose from \$495.4 million on March 31, 1943, to \$604.1 million on March 31, 1953, but on a per capita basis, it dropped from \$126.71 to \$123.91, and, of course, in terms of real purchasing power the reduction was even greater. It is by such a policy of applying every dollar of current revenue surplus to sinking funds, debt reduction or capital expenditures that we are able to assure the Province a high reputation among the investing public, and thus facilitate our borrowing at low rates of interest.

NO NEW TAXES

For the sixth consecutive year, I am able to announce that there will be no additional tax burdens imposed upon the people. Indeed, for six years, we have been able to make some minor tax reductions. It is proposed to amend the Security Transfer Tax Act to provide that bonds and debentures guaranteed by the Government of Canada or any of the provincial governments will be exempt from this tax. This will mean that Ontario Hydro bonds guaranteed by the Province will be exempt from the security transfer tax. There will also be certain minor reductions in succession duties and the race tracks tax for the next fiscal year will be 7 per cent.

Ontario has about the lowest provincial tax structure of any of the provinces. Although there are over 62,000 miles of paved or other hard-surfaced highways in Ontario—more than double that of any other province—our gasoline tax is some 2 to 4 cents per gallon less than that in five of the

provinces. Our motor vehicle licence rates are the lowest in any of the Canadian provinces. For the last three years, our revenue from gasoline tax and motor vehicle licences has been less than our expenditure on highways. Half the provinces of Canada impose a general sales tax, where rates range up to 5 per cent of the retail price. Five provinces tax such things as meals, cigarettes, tobacco and liquor. Ontario has no general sales tax, nor any specific taxes on such commodities. In other fields, our rates are comparable with those in the rest of Canada. Although our budget has increased very rapidly, we are actually spending a smaller proportion of the taxpayers' income than before World War II.

SUMMARY OF FORECAST OF REVENUE AND EXPENDITURE FOR 1954-55

During the coming fiscal year which will end March 31, 1955, we are estimating the net ordinary expenditure at \$353,863,000 and the net ordinary revenue at \$354,402,000. I am therefore budgeting for a surplus on ordinary account of \$539,000, which, if realized, will be our twelfth consecutive annual surplus.

Budgeting is at all times full of uncertainties. As I stressed in my address of two years ago, our estimates are predicated on sound grounds. Any change in Federal taxation or the imposition of restrictions on trade affects our revenues. Changes in income or in the driving or beverage-drinking habits of our people will also influence our revenues. For these reasons, our estimates are made on the safe side.

The principal items in the Government's net ordinary expenditure for next year are: Highways, \$59.3 million; Highway Reserve Account, \$23.0 million; Education, \$79.6 million; Health, \$48.3 million; and Public Welfare, \$26.8 million. The Department that is expected to show the largest increase in expenditures is Municipal Affairs, reflecting the commencement of the payment of unconditional grants. On the revenue side, the main items for next year will be the tax rental payment, \$140.8 million; gasoline tax, \$84.5 million; and motor vehicle licences, \$24.0 million. In respect of capital expenditures, \$65.0 million is being provided for highways, of which \$35.0 million is from the Highway Reserve Account, providing for a total highways expenditure, both ordinary and capital, of \$124.3 million. To this will be added the balance in the Highway Reserve Account, making a total of \$145.8 million.

SUMMARY

Mr. Speaker: Before concluding my Address, I should like to give a brief summary of some of the main developments of this fiscal year and of our programme for the next year.

Fiscal Year 1953-54

1. For the current fiscal year ending March 31, 1954, the net ordinary expenditure of the Government of Ontario, after providing \$16,945,000 for sinking funds and \$40.5 million for the Highway Reserve Account, is estimated at \$361,167,000. The net ordinary revenue is estimated at \$362,176,000, leaving an interim surplus on ordinary account of \$1,009,000.
2. The Government earned its eleventh consecutive surplus since it assumed office in 1943.
3. A special supplementary grant, totalling \$7.0 million, will be paid to hospitals before the end of the present fiscal year on the basis of \$300 per bed for beds in service on December 31, 1953. The grant may be used for the retirement of capital debt or for rehabilitation purposes.
4. A special capital payment of \$1.0 million will be made to the Ontario Cancer Treatment and Research Foundation for the new Institute building. With this grant, the Province will have contributed \$6.3 million of its share of the cost of this project.
5. A special capital grant of \$1.0 million will be paid to the University of Toronto to provide for an expansion of dental teaching facilities.
6. A special grant of \$100,000 will be paid to the Royal Botanical Gardens which is associated with the work carried on by McMaster University.
7. Special grants will also be paid to all the universities for the provision of new buildings and the purchase of equipment. Payments to the universities in both maintenance and special capital grants during 1953-54 will total \$10.1 million, as follows:

	Maintenance Grants	Special Capital Grants	Total
	\$	\$	\$
University of Toronto.....	4,700,000	.....	4,700,000
University of Toronto—			
for the expansion of dental teaching facilities		1,000,000	1,000,000
for Ontario College of Education.....	470,000	.....	470,000
Queen's University.....	625,000	525,000	1,150,000
University of Western Ontario.....	625,000	525,000	1,150,000
McMaster University—			
for instruction in the sciences.....	200,000	250,000	450,000
University of Ottawa—			
for the Faculty of Medicine.....	200,000	250,000	450,000
Carleton College.....	135,000	150,000	285,000
	6,955,000	2,700,000	9,655,000
Royal Botanical Gardens, Hamilton.....		100,000	100,000
Ontario College of Art.....	150,000	200,000	350,000
Special Grants for Archaeological Research.....	6,000	.....	6,000
	\$7,111,000	\$3,000,000	\$10,111,000

8. A special grant of \$350,000 will be paid to the Canadian National Institute for the Blind as a contribution to enable the Institute to establish facilities for rehabilitation and occupational services.
9. To strengthen the Public Service Superannuation Fund and the Teachers' Superannuation Fund, the amount of \$1.0 million will be paid into each of these funds.
10. Estimated expenditure on highways in 1953-54 is \$128.2 million, including \$1.0 million on mining access roads. The five-year plan of highway expansion announced in 1949 is well ahead of schedule.
11. The Government of Ontario's expenditure on education for 1953-54 will total \$81.9 million.
12. The Ontario Government's health bill, including the special grant of \$7.0 million to public general hospitals, is estimated at \$53.3 million.
13. The Government's expenditure for education, health and welfare has increased from \$34.6 million in 1942-43 to \$159.6 million in 1953-54, nearly a five-fold increase.
14. The Province's assistance to municipalities, school boards and other municipal agencies will total \$125.1 million in 1953-54—equal to 35 per cent of the Province's net ordinary expenditure and 45 per cent of last year's total municipal levy.
15. Through the Ontario Municipal Improvement Corporation, we have purchased during 1953-54 \$2,493,000 of the debentures of municipal corporations, issued for such purposes as waterworks and sewers. Since its inception in 1950, we have purchased municipal debentures totalling \$17,912,000.
16. 28 per cent more housing units were built in Ontario in 1953 than in 1952. To facilitate the construction of medium-priced houses, the Province, under Federal-Provincial arrangements, has obtained large tracts of land in many municipalities and, under agreements already signed, 7,000 serviced lots have been, or are being, made available to builders or private persons.
17. Housing units under construction in Metropolitan Toronto at the end of 1953 were 31 per cent higher than on the corresponding date a year earlier. A subsidized rental housing plan has been projected for the Toronto Regent Park Development, involving a total of 960 units.
18. The Province's new investment in physical assets in the eleven years ending March 31, 1954, will total \$466.9 million, of which 65 per cent will have been met by building up sinking funds and retiring debt out of current revenue.

19. In this eleven year period ending March 31, 1954, the Province has issued its own bonds or guaranteed Ontario Hydro bonds totalling \$1,651 million. Only \$285 million has been raised outside Canada, while the remainder—amounting to 83 per cent—was obtained in the home market. Hydro's capital requirements absorbed \$1.0 billion of these total borrowings; four-fifths of the Province's borrowing for its own purposes was for refunding.
20. Illustrating its high credit standing, the Province, on March 2, 1954, sold in New York \$50 million of debentures having an average maturity of 18.8 years at an average interest cost of 3.11 per cent—one of the best issues any province has sold for several years.
21. Despite the Ontario Government's expanded capital building programme, its net debt per capita is less than it was eleven years ago.
22. Expenditures of the Government on public works, new hospitals, administration buildings, schools for the deaf and blind and teachers' colleges are estimated at \$18.0 million for 1953-54.
23. The dependable peak capacity of Ontario Hydro's own generating plants in December, 1953, was 147 per cent higher than in December, 1943. By the end of 1956, Hydro's dependable peak capacity will be increased by another 1.6 million h.p., making a total of over 6.3 million h.p. Of this, an estimated 861,000 h.p. will be purchased power.
24. The Province's grant for rural power extensions will amount to \$9.7 million in 1953-54. The number of rural power customers connected for hydro-electric power has increased 173 per cent since 1943. 28,318 additional rural dwellers were supplied with electric power in the past year. Over 85 per cent of all rural dwellers now have electric power.
25. The Government's programme for conservation of natural resources will entail an expenditure of \$15.3 million. More than 600 farm ponds have been built with the assistance of grants by conservation authorities and the Department of Agriculture.
26. Mothers' allowance benefits have been increased.

Fiscal Year 1954-55

27. We are budgeting for a surplus on ordinary account in 1954-55 of \$539,000; net ordinary revenue is estimated at \$354,402,000 and net ordinary expenditure at \$353,863,000.
28. This will be the Government's twelfth consecutive surplus on ordinary account.

29. For the sixth successive year, some minor tax reductions will be made.
30. Continuing the policy of overtaking Ontario's backlog of deferred highway construction and maintenance, the Government is providing in 1954-55 \$124.3 million for highways, to which will be added the balance of \$21.5 million in the Highway Reserve Account, making available a total of \$145.8 million.
31. The estimated balance in Highway Reserve Account as at March 31, 1954, is \$33.5 million. It is proposed to appropriate from ordinary account in 1954-55 \$23.0 million, making the total amount in the Highway Reserve Account \$56.5 million, from which it is planned to spend \$35.0 million.
32. An appropriation of \$1.0 million is being provided for the construction of mining access roads.
33. Grants to municipalities and school boards will rise to \$134.0 million in 1954-55, which is the first year for payments under the Province's new plan of unconditional grants.
34. Grants for education will amount to \$61.4 million, an increase of \$3.6 million over those in 1953-54.
35. The Province's grant for the construction of institutions for charitable cases will be raised from \$1,000 to \$2,000 per bed.
36. The per capita per diem rate of payment to charitable institutions is being doubled.
37. New rehabilitation measures will be instituted to assist handicapped persons.
38. Expenditure of the Department of Health for 1954-55 is estimated at \$48.3 million—an increase of \$2.4 million over the appropriation provided a year ago.
39. \$16.5 million is being provided for conservation in the Estimates of various departments. A shelf of plans for further conservation and flood control has been prepared, involving a capital investment of \$52 million.
40. The appropriation for maintenance grants to the universities is being increased by \$160,000 over the 1953-54 expenditures. The maintenance grants for universities and colleges for 1953-54 and 1954-55 are as follows:

	1953-54	Estimates 1954-55
	\$	\$
University of Toronto.....	4,700,000	4,700,000
Ontario College of Education...	470,000	470,000
Queen's University.....	625,000	675,000
University of Western Ontario.....	625,000	675,000
McMaster University (for instruction in the sciences)...	200,000	225,000
University of Ottawa (for the Faculty of Medicine)....	200,000	225,000
Carleton College.....	135,000	145,000
	<u>6,955,000</u>	<u>7,115,000</u>
Ontario College of Art.....	150,000	150,000
Special Grants for Archaeological Research.....	6,000	6,000
	<u>7,111,000</u>	<u>7,271,000</u>

CONCLUSION

Throughout the present fiscal year, this Government has established a high record of achievement—one which has rarely been equalled. To some, this may appear as a challenging statement, but we believe the claim will be accepted by reason of its fidelity to fact. Those who have followed the account of the year's conduct of the business of the Province will recognize that the Government has not been unmindful of the needs of the people.

With Ontario's unprecedented growth in population, new problems and new responsibilities have confronted the Government. Insofar as human foresight could be exercised, most of these problems have been anticipated and every possible preparation made to deal with them effectively. Some indication of this awareness on the part of the Government may be found by recalling a pledge made in the Budget Statement delivered in this House one year ago tomorrow when I said:

"Entering as we are upon another year of opportunity, we dedicate ourselves to the task of making 1953-54 a notable year of progress—a year out-stripping the best of our former years."

That was a promise made. Today, I affirm that the promise made is now a promise kept.

Today, I make for the fiscal year 1954-55 a pledge equal to the one I gave in this House one year ago. I believe that I speak for my colleagues; I assure you I voice my own convictions when I assert that, supported by the united efforts of the members of this Legislature and with the help and guidance of Divine Providence, we shall acquit this—our solemn obligation—to the satisfaction of the people of Ontario, whose servants we are.

In striving for the betterment of all the people of this great Province, we shall not approach our tasks in any narrow spirit of provincialism. We

who live in Ontario love this grand old Province and are proud of her contribution to the building of Canada. But, Mr. Speaker, we are Canadians, first, last and always!

We have a goodly heritage. For what we have inherited from our fathers, we can never repay. Theirs was not only a triumph over the hardships that belonged to a pioneer life. Theirs was, in fact, a miracle of the spirit. Inspired by the example of those who have laid the foundations of Canada, we shall find the inner strength to prove worthy of our heritage.

In keeping with these sentiments, I ask your permission, Mr. Speaker, to close by quoting words used by another on a former occasion. These words I commend to you in the hope that they will never lose their meaning for the Canadian people:

“Realizing the inherent greatness of Canada as a nation and recognizing the strength that can come only from unity of purpose, we believe that all the peoples of Canada should unite in fostering a common pride in Canadian achievement and institutions and a common loyalty to our ancestral traditions of equality, justice and toleration, and should seek with due regard for Constitutional rights to achieve that profound sense of the importance of national interests which will ensure harmony and co-operation and that future for our country which was the aim of Confederation.”

APPENDIX I

GOVERNMENT STATEMENTS

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INTERIM STATEMENT OF ORDINARY REVENUE

Fiscal Year April 1, 1953 to March 31, 1954

10 Months' Actual Plus 2 Months' Forecast

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
AGRICULTURE.....	\$ 987,000	\$.....	\$ 987,000
ATTORNEY-GENERAL.....	4,095,000	466,000	3,629,000
EDUCATION.....	1,738,000	428,000	1,310,000
HEALTH.....	3,922,000	14,000	3,908,000
HIGHWAYS:			
Main Office.....	650,000	.....	650,000
Gasoline Tax Branch.....	85,000,000	.....	85,000,000
Motor Vehicles Branch.....	23,000,000	.....	23,000,000
Total for Highways.....	\$108,650,000	\$.....	\$108,650,000
INSURANCE.....	\$ 358,000	\$.....	\$ 358,000
LABOUR.....	480,000	16,000	464,000
LANDS AND FORESTS.....	17,500,000	.....	17,500,000
MINES.....	5,082,000	10,000	5,072,000
MUNICIPAL AFFAIRS.....	460,000	.....	460,000
PRIME MINISTER.....	107,000	.....	107,000
PROVINCIAL SECRETARY.....	1,308,000	.....	1,308,000
PROVINCIAL TREASURER:			
Main Office—Subsidy.....	3,641,000	.....	3,641,000
Interest.....	71,000	.....	71,000
Miscellaneous.....	5,000	.....	5,000
Liquor Control Board—Profits.....	42,000,000	.....	42,000,000
Transfer Fees.....	750,000	.....	750,000
Province of Ontario Savings Office.....	626,000	626,000	.....
Provincial share of taxes collected from privately-owned corporations operating public utilities.....	470,000	.....	470,000
Comptroller of Revenue:			
Tax Rental Agreement.....	134,448,000	.....	134,448,000
Hospitals Tax.....	6,702,000	.....	6,702,000
Succession Duty.....	19,500,000	.....	19,500,000
Race Tracks Tax.....	3,968,000	.....	3,968,000
Security Transfer Tax.....	1,800,000	.....	1,800,000
Land Transfer Tax.....	2,400,000	.....	2,400,000
Law Stamps.....	950,000	.....	950,000
Logging Tax.....	700,000	.....	700,000
Theatres Branch.....	275,000	.....	275,000
Total for Provincial Treasurer.....	\$218,306,000	\$ 626,000	\$217,680,000
PUBLIC WELFARE.....	\$ 6,000	\$.....	\$ 6,000
PUBLIC WORKS.....	119,000	3,000	116,000
REFORM INSTITUTIONS.....	2,810,000	2,246,000	564,000
TRAVEL AND PUBLICITY.....	57,000	.....	57,000
	\$365,985,000	3,809,000	\$362,176,000
PUBLIC DEBT—Interest, etc.....	11,489,000	11,489,000	.....
	<u>\$377,474,000</u>	<u>\$15,298,000</u>	<u>\$362,176,000</u>

INTERIM STATEMENT OF ORDINARY EXPENDITURE

Fiscal Year April 1, 1953 to March 31, 1954

10 Months' Actual Plus 2 Months' Forecast

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 8,972,000	\$.....	\$ 8,972,000
ATTORNEY-GENERAL.....	11,476,000	466,000	11,010,000
EDUCATION.....	82,356,000	428,000	81,928,000
HEALTH.....	53,290,000	14,000	53,276,000
HIGHWAYS.....	95,950,000	.....	95,950,000
INSURANCE.....	177,000	.....	177,000
LABOUR.....	1,648,000	16,000	1,632,000
LANDS AND FORESTS.....	12,610,000	.....	12,610,000
LIEUTENANT-GOVERNOR.....	19,000	.....	19,000
MINES.....	1,070,000	10,000	1,060,000
MUNICIPAL AFFAIRS.....	9,458,000	.....	9,458,000
PLANNING AND DEVELOPMENT.....	1,422,000	.....	1,422,000
PRIME MINISTER.....	378,000	.....	378,000
PROVINCIAL AUDITOR.....	261,000	.....	261,000
PROVINCIAL SECRETARY.....	1,527,000	.....	1,527,000
PROVINCIAL TREASURER.....	5,388,000	626,000	4,762,000
PUBLIC WELFARE.....	24,410,000	.....	24,410,000
PUBLIC WORKS.....	5,338,000	3,000	5,335,000
REFORM INSTITUTIONS.....	8,344,000	2,246,000	6,098,000
TRAVEL AND PUBLICITY.....	1,354,000	.....	1,354,000
STATIONERY ACCOUNT.....	35,000	.....	35,000
	<u>\$325,483,000</u>	<u>\$ 3,809,000</u>	<u>\$321,674,000</u>
PUBLIC DEBT—Interest, etc.....	34,037,000	11,489,000	22,548,000
	<u>\$359,520,000</u>	<u>\$15,298,000</u>	<u>\$344,222,000</u>
PUBLIC DEBT—Sinking Fund Instalments...	16,945,000	.....	16,945,000
	<u>\$376,465,000</u>	<u>\$15,298,000</u>	<u>\$361,167,000</u>

SUMMARY

ORDINARY REVENUE AND ORDINARY EXPENDITURE

Fiscal Year April 1, 1953 to March 31, 1954

10 Months' Actual Plus 2 Months' Forecast

Net Ordinary Revenue.....	\$362,176,000
Less: Net Ordinary Expenditure (before providing for Sinking Funds).....	344,222,000
Balance (before providing for Sinking Funds).....	\$ 17,954,000
Less: Provision for Sinking Funds.....	16,945,000
Interim Surplus.....	<u>\$ 1,009,000</u>

INTERIM STATEMENT OF CAPITAL RECEIPTS

Fiscal Year April 1, 1953 to March 31, 1954

10 Months' Actual Plus 2 Months' Forecast

DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 1,720,000	\$.....	\$ 1,720,000
LABOUR.....	10,500,000	.....	10,500,000
LANDS AND FORESTS.....	2,030,000	.....	2,030,000
MINES.....	83,000	.....	83,000
PLANNING AND DEVELOPMENT.....	206,000	.....	206,000
PROVINCIAL SECRETARY.....	6,827,000	.....	6,827,000
PROVINCIAL TREASURER.....	67,862,000	.....	67,862,000
PUBLIC WELFARE.....	5,400,000	5,400,000	.....
PUBLIC WORKS.....	602,000	.....	602,000
	<u>\$95,230,000</u>	<u>\$5,400,000</u>	<u>\$89,830,000</u>

INTERIM STATEMENT OF CAPITAL PAYMENTS

Fiscal Year April 1, 1953 to March 31, 1954

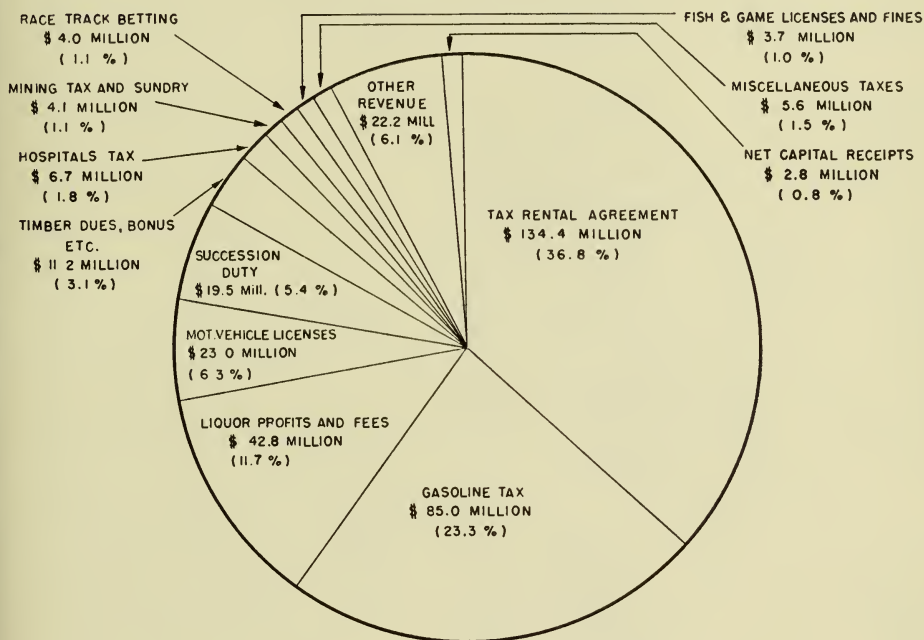
10 Months' Actual Plus 2 Months' Forecast

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 9,775,000	\$.....	\$ 9,775,000
HIGHWAYS.....	36,150,000	.....	36,150,000
Highway Reserve Account.....	37,000,000	.....	37,000,000
LABOUR.....	10,010,000	.....	10,010,000
LANDS AND FORESTS.....	800,000	.....	800,000
MINES.....	1,000,000	.....	1,000,000
PLANNING AND DEVELOPMENT.....	2,000,000	.....	2,000,000
PROVINCIAL SECRETARY.....	2,417,000	.....	2,417,000
PROVINCIAL TREASURER.....	100,941,000	.....	100,941,000
PUBLIC WELFARE.....	5,400,000	5,400,000	.....
PUBLIC WORKS.....	19,436,000	.....	19,436,000
MISCELLANEOUS.....	65,000	.....	65,000
	<u>\$224,994,000</u>	<u>\$5,400,000</u>	<u>\$219,594,000</u>

PROVINCE OF ONTARIO

NET ORDINARY AND NET CAPITAL REVENUES

1953 - 1954 *

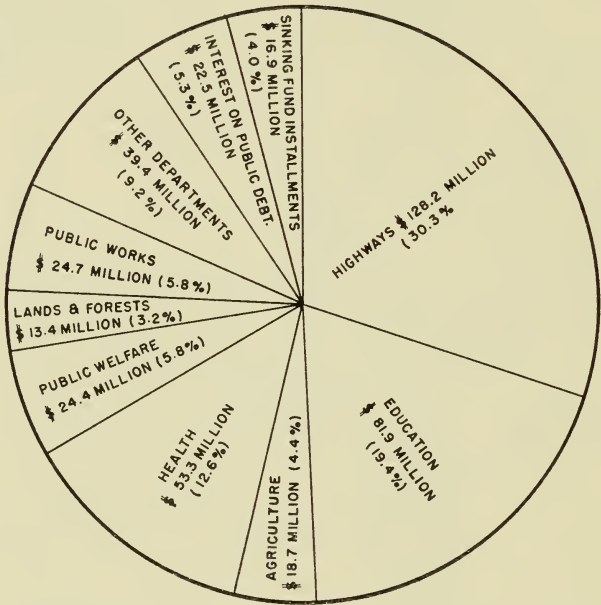


SOURCES OF NET ORDINARY AND NET CAPITAL REVENUES

SOURCE	AMOUNT MILLIONS OF DOLLARS	PERCENTAGE OF TOTAL NET ORDINARY & NET CAPITAL REVENUES
NET ORDINARY REVENUE		
GASOLINE TAX	85.0	23.3
SUCCESSION DUTIES	19.5	5.4
HOSPITALS TAX	6.7	1.8
MINING TAX AND SUNDRY	4.1	1.1
RACE TRACK BETTING	4.0	1.1
MISCELLANEOUS TAXES	5.6	1.5
SUB TOTAL	124.9	34.2
TAX RENTAL AGREEMENT	134.4	36.8
LIQUOR PROFITS AND FEES	42.8	11.7
MOTOR VEHICLE LICENSES	23.0	6.3
TIMBER DUES, BONUS etc.	11.2	3.1
FISH AND GAME LICENSES AND FINES	3.7	1.0
OTHER REVENUE (FEES, RENTALS etc.)	22.2	6.1
TOTAL NET ORDINARY REVENUE	362.2	99.2
NET CAPITAL RECEIPTS		
MISSISSAGI SALVAGE OPERATIONS	1.8	0.5
SALE OF LANDS AND BUILDINGS, etc.	1.0	0.3
TOTAL NET CAPITAL RECEIPTS	2.8	0.8
GRAND TOTAL	365.0	100.0

* INTERIM BASED ON 10 MONTHS' ACTUAL AND 2 MONTHS' ESTIMATED REVENUES

PROVINCE OF ONTARIO
COMBINED NET ORDINARY
AND NET CAPITAL EXPENDITURES
FISCAL YEAR 1953-54 *



NET ORDINARY AND NET CAPITAL EXPENDITURES
BY DEPARTMENTS
(MILLIONS OF DOLLARS)

DEPARTMENT	NET ORDINARY EXPENDITURES	CAPITAL EXPENDITURES ON PHYSICAL ASSETS	COMBINED NET ORDINARY AND CAPITAL EXPENDITURES	PERCENTAGE OF TOTAL Combined Net Ordinary And Capital Expenditures
HIGHWAYS	55.4 ⁽¹⁾	72.8 ⁽²⁾	128.2	30.3
EDUCATION	81.9	—	81.9	19.4
AGRICULTURE (incl. O.A.C. & O.V.C.)	9.0	9.7	18.7	4.4
HEALTH	53.3	—	53.3	12.6
PUBLIC WELFARE	24.4	—	24.4	5.8
LANDS AND FORESTS	12.6	0.8	13.4	3.2
PUBLIC WORKS	5.3	19.4	24.7	5.8
OTHER DEPARTMENTS	39.4	—	39.4	9.2
INTEREST ON PUBLIC DEBT	22.5	—	22.5	5.3
SINKING FUND INSTALLMENTS	16.9	—	16.9	4.0
TOTAL	320.7 ⁽¹⁾	102.7 ⁽²⁾	423.4	100.0

(1) EXCLUDES \$ 40.5 MILLION SET ASIDE IN THE HIGHWAY RESERVE ACCOUNT.
(2) INCLUDES \$ 37.0 MILLION EXPENDED FROM THE HIGHWAY RESERVE ACCOUNT,
AND \$ 1.0 MILLION FOR MINING ROADS.
* INTERIM — BASED ON 10 MONTHS' ACTUAL AND 2 MONTHS' ESTIMATED EXPENDITURES

BUDGET FORECAST OF ORDINARY REVENUE

Fiscal Year April 1, 1954 to March 31, 1955

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
AGRICULTURE.....	\$ 980,000	\$.....	\$ 980,000
ATTORNEY-GENERAL.....	4,013,000	578,000	3,435,000
EDUCATION.....	1,553,000	460,000	1,093,000
HEALTH.....	4,442,000	516,000	3,926,000
HIGHWAYS:			
Main Office.....	250,000	.....	250,000
Gasoline Tax Branch.....	84,500,000	.....	84,500,000
Motor Vehicles Branch.....	24,000,000	.....	24,000,000
Total for Highways.....	\$108,750,000	\$.....	\$108,750,000
INSURANCE.....	\$ 334,000	\$.....	\$ 334,000
LABOUR.....	538,000	14,000	524,000
LANDS AND FORESTS.....	16,719,000	.....	16,719,000
MINES.....	4,251,000	10,000	4,241,000
MUNICIPAL AFFAIRS.....	449,000	.....	449,000
PROVINCIAL SECRETARY.....	1,126,000	.....	1,126,000
PROVINCIAL TREASURER:			
Main Office—Subsidy.....	3,641,000	.....	3,641,000
Interest.....	71,000	.....	71,000
Ontario Racing Commission.....	113,000	.....	113,000
Liquor Control Board—Profits.....	36,000,000	.....	36,000,000
Transfer Fees.....	700,000	.....	700,000
Province of Ontario Savings Office.....	631,000	631,000	.....
Provincial share of taxes collected from privately-owned corporations operating public utilities.....	470,000	.....	470,000
Comptroller of Revenue:			
Tax Rental Agreement.....	140,800,000	.....	140,800,000
Hospitals Tax.....	6,000,000	.....	6,000,000
Succession Duty.....	16,500,000	.....	16,500,000
Race Tracks Tax.....	3,300,000	.....	3,300,000
Security Transfer Tax.....	1,200,000	.....	1,200,000
Land Transfer Tax.....	1,600,000	.....	1,600,000
Law Stamps.....	900,000	.....	900,000
Logging Tax.....	500,000	.....	500,000
Theatres Branch.....	262,000	.....	262,000
Total for Provincial Treasurer.....	\$212,688,000	\$ 631,000	\$212,057,000
PUBLIC WORKS.....	\$ 82,000	\$ 3,000	\$ 79,000
REFORM INSTITUTIONS.....	2,803,000	2,240,000	563,000
TRAVEL AND PUBLICITY.....	26,000	.....	26,000
MISCELLANEOUS.....	100,000	.....	100,000
	\$358,854,000	\$ 4,452,000	\$354,402,000
PUBLIC DEBT—Interest, etc.....	14,308,000	14,308,000	.....
	<u>\$373,162,000</u>	<u>\$18,760,000</u>	<u>\$354,402,000</u>

BUDGET FORECAST OF ORDINARY EXPENDITURE

Fiscal Year April 1, 1954 to March 31, 1955

DEPARTMENT	Gross Ordinary Expenditure	Application Of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 9,245,000	\$	\$ 9,245,000
ATTORNEY-GENERAL.....	12,222,000	578,000	11,644,000
EDUCATION.....	80,023,000	460,000	79,563,000
HEALTH.....	48,813,000	516,000	48,297,000
HIGHWAYS.....	82,347,000	.....	82,347,000
INSURANCE.....	190,000	.....	190,000
LABOUR.....	1,739,000	14,000	1,725,000
LANDS AND FORESTS.....	12,760,000	.....	12,760,000
LIEUTENANT-GOVERNOR.....	20,000	.....	20,000
MINES.....	1,133,000	10,000	1,123,000
MUNICIPAL AFFAIRS.....	15,250,000	.....	15,250,000
PLANNING AND DEVELOPMENT.....	1,776,000	.....	1,776,000
PRIME MINISTER.....	119,000	.....	119,000
PROVINCIAL AUDITOR.....	285,000	.....	285,000
PROVINCIAL SECRETARY.....	1,365,000	.....	1,365,000
PROVINCIAL TREASURER.....	5,697,000	631,000	5,066,000
PUBLIC WELFARE.....	26,756,000	.....	26,756,000
PUBLIC WORKS.....	5,500,000	3,000	5,497,000
REFORM INSTITUTIONS.....	8,977,000	2,240,000	6,737,000
TRAVEL AND PUBLICITY.....	895,000	.....	895,000
MISCELLANEOUS.....	100,000	.....	100,000
	<u>\$315,212,000</u>	<u>\$ 4,452,000</u>	<u>\$310,760,000</u>
PUBLIC DEBT—Interest, etc.....	\$ 39,875,000	\$14,308,000	\$ 25,567,000
	<u>\$355,087,000</u>	<u>\$18,760,000</u>	<u>\$336,327,000</u>
PUBLIC DEBT—Sinking Fund Instalments...	17,536,000	.....	17,536,000
	<u>\$372,623,000</u>	<u>\$18,760,000</u>	<u>\$353,863,000</u>

SUMMARY**BUDGET FORECAST**

Fiscal Year April 1, 1954 to March 31, 1955

Net Ordinary Revenue.....	\$354,402,000
Less: Net Ordinary Expenditure (before providing for Sinking Funds).....	336,327,000
Surplus (before providing for Sinking Funds).....	\$ 18,075,000
Less: Provision for Sinking Funds.....	17,536,000
Surplus Forecast.....	<u>\$ 539,000</u>

BUDGET FORECAST OF CAPITAL RECEIPTS

Fiscal Year April 1, 1954 to March 31, 1955

DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 2,005,000	\$.....	\$ 2,005,000
LABOUR.....	10,500,000	.....	10,500,000
LANDS AND FORESTS.....	805,000	.....	805,000
MINES.....	90,000	.....	90,000
PLANNING AND DEVELOPMENT.....	310,000	.....	310,000
PROVINCIAL SECRETARY.....	7,900,000	.....	7,900,000
PROVINCIAL TREASURER.....	48,922,000	.....	48,922,000
PUBLIC WELFARE.....	5,903,000	5,903,000	.....
	<u>\$76,435,000</u>	<u>\$5,903,000</u>	<u>\$70,532,000</u>

BUDGET FORECAST OF CAPITAL PAYMENTS

Fiscal Year April 1, 1954 to March 31, 1955

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 7,750,000	\$.....	\$ 7,750,000
HIGHWAYS.....	30,800,000	.....	30,800,000
Highway Reserve Account.....	35,000,000	.....	35,000,000
LABOUR.....	10,500,000	.....	10,500,000
LANDS AND FORESTS.....	300,000	.....	300,000
MINES.....	1,000,000	.....	1,000,000
PLANNING AND DEVELOPMENT.....	10,000,000	.....	10,000,000
PROVINCIAL SECRETARY.....	2,700,000	.....	2,700,000
PROVINCIAL TREASURER.....	3,100,000	.....	3,100,000
PUBLIC WELFARE.....	5,903,000	5,903,000	.....
PUBLIC WORKS.....	30,000,000	.....	30,000,000
MISCELLANEOUS.....	150,000	.....	150,000
	<u>\$137,203,000</u>	<u>\$5,903,000</u>	<u>\$131,300,000</u>

PROVINCE OF ONTARIO

STATEMENT SHOWING ESTIMATED INCREASE IN THE GROSS DEBT

For the Fiscal Year Ending March 31, 1954

Estimated Gross Debt as at March 31, 1954.....	\$1,038,207,988.74
Gross Debt as at March 31, 1953.....	896,143,029.71
Estimated Increase for the fiscal year ending March 31, 1954.....	<u>\$ 142,064,959.03</u>

GROSS DEBT INCREASED BY:

Capital Disbursements—

Disbursements on Highways, Public Buildings, Works, etc.	\$65,686,000.00
Less: Capital Receipts.....	2,810,000.00
	<u>\$62,876,000.00</u>
Increase in Advances (secured by bonds) to The Hydro- Electric Power Commission of Ontario.....	100,000,000.00
Increase in Tile Drainage Loans (net).....	200,000.00
Increase in The Ontario Junior Farmer Establishment Loan Corporation—Investments.....	2,601,218.40
Increase in The Ontario Municipal Improvement Corpora- tion—Investments.....	835,421.19
Increase in Advances under The Housing Development Act.....	1,794,000.00
Discount on Debentures issued during year.....	1,860,000.00
Increase in Income Liabilities.....	1,138,994.83
	<u>\$ 171,305,634.42</u>

GROSS DEBT DECREASED BY:

Sinking Fund Provision charged to Ordinary Expenditure	\$16,945,000.00
Estimated Surplus on Ordinary Account.....	1,009,000.00
	<u>\$17,954,000.00</u>
Discount on Debentures written off or assumed.....	1,898,400.00
Repayments on Loans Receivable— The Hydro-Electric Power Commis- sion of Ontario.....	\$1,812,500.00
Agricultural Development Board....	1,150,000.00
Miscellaneous.....	252,300.00
	<u>3,214,800.00</u>
Decrease in Cash on Hand and in Banks.....	4,485,000.00
Decrease in Housing Corporation Limited—Investments.	1,513,328.78
Increase in Reserves (net).....	175,146.61
	<u>29,240,675.39</u>

Estimated Increase for the fiscal year ending March 31, 1954.....	<u>\$142,064,959.03</u>
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SUMMARY

Increase in Gross Debt due to borrowing in New York for Hydro. This debt is secured by an equal amount of Hydro Bonds.....	\$100,000,000.00
Net Increase in Gross Debt for Provincial purposes.....	42,064,959.03
	<u>\$142,064,959.03</u>

PROVINCE OF ONTARIO
ESTIMATED INCREASE IN THE NET DEBT

As at March 31, 1954

Estimated as at March 31, 1954:

Estimated Gross Debt.....	\$1,038,207,988.74
Less—Estimated Revenue-Producing and Realizable Assets.....	388,253,341.62
Estimated Net Debt.....	<u>\$ 649,954,647.12*</u>

As at March 31, 1953:

Gross Debt.....	\$ 896,143,029.71
Less—Revenue-Producing and Realizable Assets.....	292,067,830.81
Net Debt.....	<u>\$ 604,075,198.90</u>

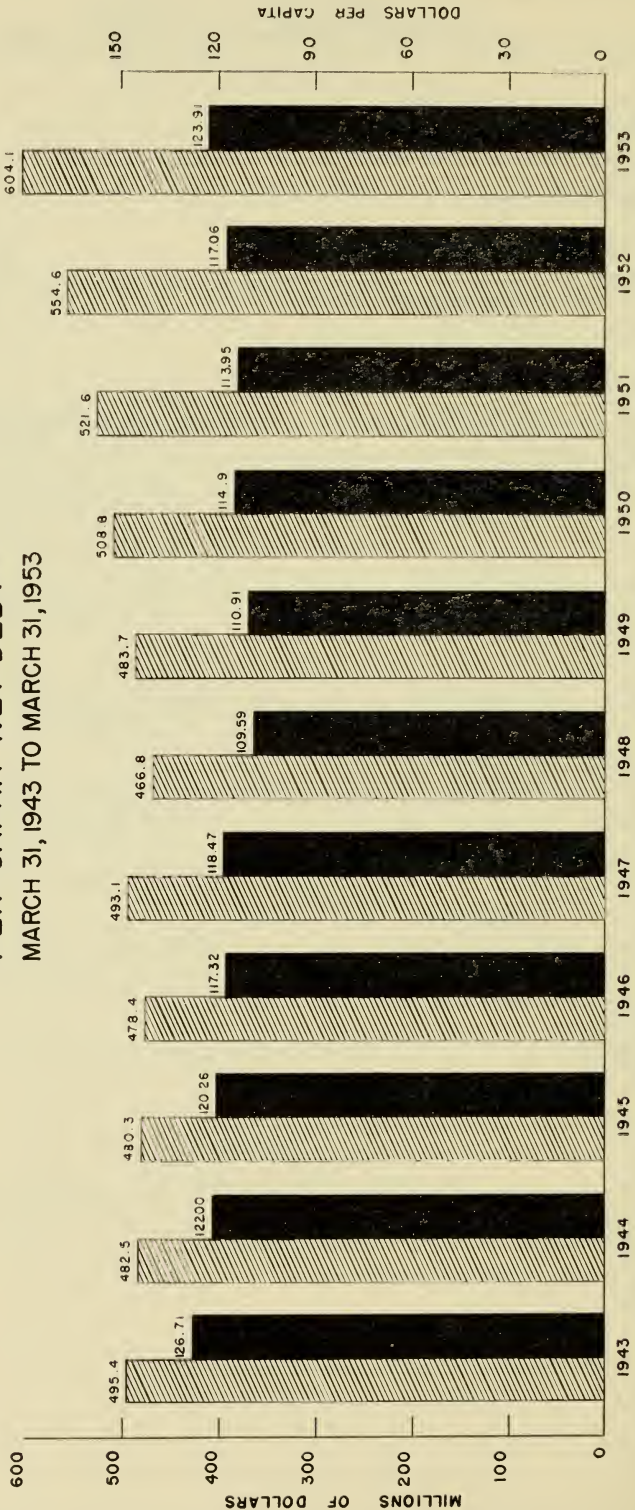
Estimated Increase in Net Debt.....	<u>\$ 45,879,448.22</u>
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*As against Estimated Net Debt above as at March 31, 1954, the following items are held:

Highway Reserve Account.....	\$ 33,500,000.00
Corporations Tax Reserve Account.....	14,355,404.90
	<u>\$ 47,855,404.90</u>

PROVINCE OF ONTARIO
NET DEBT
AND
PER CAPITA NET DEBT*
MARCH 31, 1943 TO MARCH 31, 1953

NET DEBT IN MILLIONS OF DOLLARS
PER CAPITA NET DEBT IN DOLLARS



* The per capita amounts shown in this chart have been calculated by using Ontario's population estimates as at March 31, to coincide with net debt at the Province's fiscal year end.

PROVINCE OF ONTARIO

SUMMARY OF ESTIMATED CHANGES IN THE FUNDED DEBT

For the Fiscal Year ending March 31, 1954

Estimated as at March 31, 1954 (after deducting Sinking Funds).....	\$850,837,500
As at March 31, 1953 (after deducting Sinking Funds).....	712,482,500
Estimated Net Increase in Funded Debt.....	<u>\$138,355,000</u>
Accounting for Estimated Net Increase in Funded Debt—	
Sale of Debentures:	
CA 3½% due November 1, 1978*	\$50,000,000
CB 4% due January 1, 1968	50,000,000
CC 2.6 to 2.8% due March 15, 1960-64*	20,000,000
CC 3½% due March 15, 1980*	30,000,000
TI 4½% due November 1, 1962	9,800,000
	<u>\$159,800,000</u>
Less Redemptions:	
On Maturity.....	\$20,814,000
Prior to Maturity.....	4,812,000
	<u>\$25,626,000</u>
Province of Ontario Debenture held in the Public Service	
Superannuation Fund—matured October 31, 1953.	4,500,000
	<u>30,126,000</u>
	<u>\$129,674,000</u>
Add:	
Debentures retired from Sinking Funds.....	\$25,626,000
Less: Provision for Sinking Funds.....	16,945,000
	<u>8,681,000</u>
Estimated Net Increase in Funded Debt.....	<u>\$138,355,000</u>

SUMMARY

Increase in Funded Debt due to borrowing in New York for	
Hydro. This debt is secured by an equal amount of	
Hydro Bonds.....	\$100,000,000
Net Increase in Funded Debt for Provincial purposes.....	38,355,000
	<u>\$138,355,000</u>

*The total of these three debentures amounts to the \$100,000,000 shown in the Summary.

PROVINCE OF ONTARIO

CONTINGENT LIABILITIES—BONDS, ETC., GUARANTEED BY THE PROVINCE

Estimated as at March 31, 1954

Total as at March 31, 1953.....		\$721,507,825.50
ADD—New Guarantees or Increases for the Fiscal Year ending March 31, 1954—		
Hydro-Electric Power Commission.....	\$60,000,000.00	
Ontario Northland Railway.....	5,500,000.00	
Ontario Food Terminal Board.....	2,530,000.00	
		<u>68,030,000.00</u>
		\$789,537,825.50
LESS—Principal Maturities redeemed or to be redeemed, including redemptions prior to maturity, during the Fiscal Year ending March 31, 1954—		
Park Commissions.....	\$500,600.00	
Ontario Northland Railway.....	1,693,000.00	
Schools.....	65,690.84	
Universities.....	26,235.87	
Co-operative Associations.....	109,200.00	
Ontario Stock Yards Board.....	75,000.00	
		<u>2,469,726.71</u>
		\$787,068,098.79
LESS—Sinking Fund Deposit for the Fiscal Year ending March 31, 1954.....		1,286.76
Estimated Contingent Liability of the Province as at March 31, 1954.....		<u><u>\$787,066,812.03</u></u>

SUMMARY

Estimated Contingent Liability of the Province as at March 31, 1954.....	\$787,066,812.03
Contingent Liability of the Province as at March 31, 1953.....	721,507,825.50
Estimated Increase.....	<u><u>\$ 65,558,986.53</u></u>

PROVINCE OF ONTARIO SAVINGS OFFICE

BALANCE SHEET

As at March 31, 1953

ASSETS

Funds on deposit with Provincial Treasurer.....	\$61,095,725.39
Savings Offices—	
Cash on Hand and in Banks.....	\$804,971.78
Accounts Receivable.....	222.80
Furniture and Fixtures (after provision for depreciation)...	1.00
	<u>805,195.58</u>
	<u><u>\$61,900,920.97</u></u>

LIABILITIES

Savings Balances due to the Public with accrued interest to March 31, 1953....	\$61,607,637.87
Reserve.....	293,283.10
	<u><u>\$61,900,920.97</u></u>

**PROVINCE'S INVESTMENT IN PHYSICAL ASSETS
AND HUMAN BETTERMENT**

PHYSICAL ASSETS

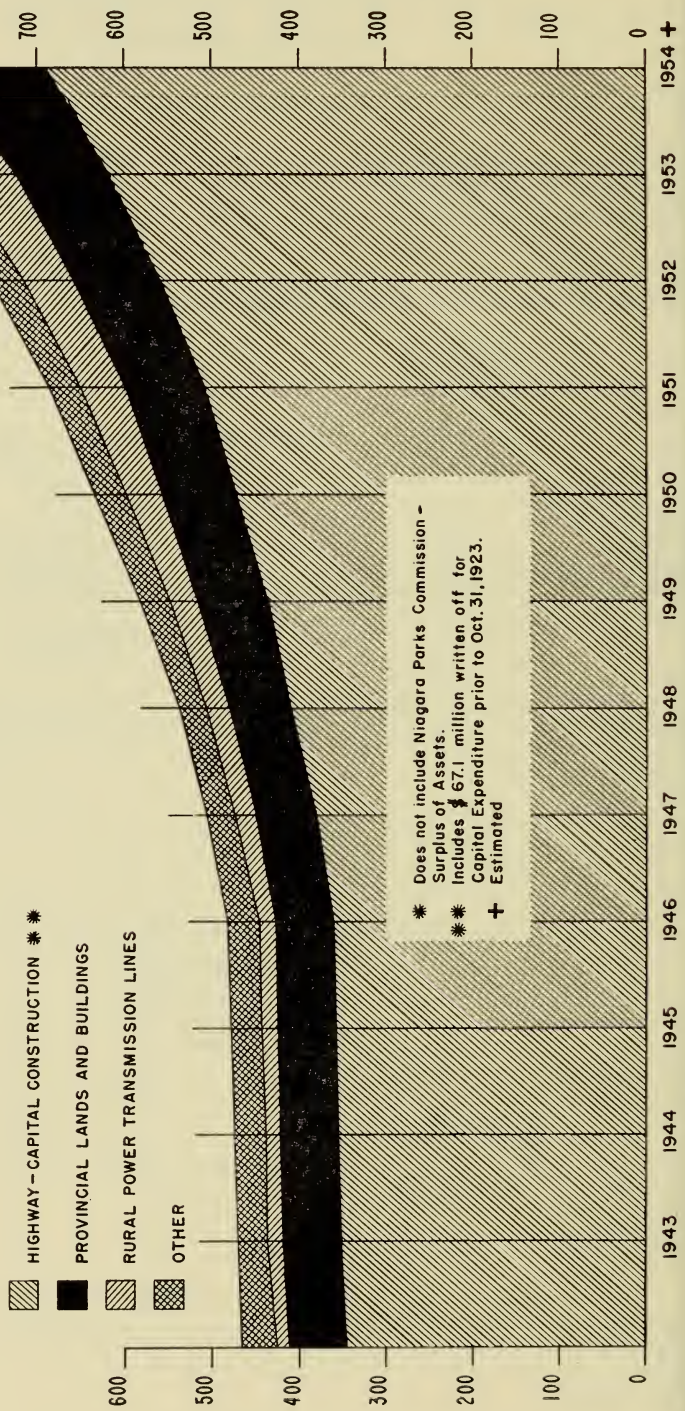
	Estimated 1953-54	Estimated Eleven Year Total 1943-44 to 1953-54
	\$	\$
Highways.....	72,630,000*	336,195,796*
Provincial Lands and Buildings.....	17,398,000	59,484,399
Rural Power Lines.....	9,700,000	64,111,861
Miscellaneous Projects.....	148,000	7,105,924
	<u>99,876,000*</u>	<u>466,897,980*</u>

*Includes \$37,000,000 from Highway Reserve Account.

HUMAN BETTERMENT

	Estimated 1953-54	Total 1943-44 to 1953-54 (1953-54 estimated)
	\$	\$
Education.....	81,928,000	523,783,413
Health.....	53,276,000	302,469,731
Public Welfare.....	24,410,000	191,270,437
	<u>159,614,000</u>	<u>1,017,523,581</u>

PROVINCE OF ONTARIO
CUMULATIVE INVESTMENT IN PHYSICAL ASSETS *
FISCAL YEARS ENDING MARCH 31, 1943 - 1954
(IN MILLIONS OF DOLLARS)



SPECIAL GRANTS TO PUBLIC GENERAL HOSPITALS, 1953-54

The Government is again this year providing hospitals with additional grants for retirement of capital debt and for the rehabilitation of facilities and equipment. The grant to each hospital will amount to \$300 for each recognized bed in service on December 31, 1953. Interim calculations for a large number of the hospitals follow:

	HOSPITAL	No. of Beds	Amount
Alliston	Stevenson Memorial Hospital.....	32	\$9,600
Almonte	Rosemond Memorial Hospital.....	15	4,500
Apsley	Red Cross Outpost Hospital.....	5	1,500
Arnprior	Arnprior and District Memorial Hospital....	38	11,400
Atikokan	Atikokan General Hospital.....	13	3,900
Bancroft	Red Cross Outpost Hospital.....	22	6,600
Barrie	Royal Victoria Hospital of Barrie.....	134	40,200
Beardmore	Red Cross Outpost Hospital.....	7	2,100
Belleville	Belleville General Hospital.....	139	41,700
Blind River	St. Joseph's General Hospital.....	34	10,200
Bowmanville	Bowmanville Hospital.....	53	15,900
Bracebridge	Bracebridge Memorial Hospital.....	35	10,500
Brampton	Peel Memorial Hospital.....	72	21,600
Brantford	The Brantford General Hospital.....	333	99,900
Brockville	Brockville General Hospital.....	177	53,100
Brockville	St. Vincent de Paul Hospital.....	85	25,500
Burk's Falls	Burk's Falls and District Red Cross Hospital	22	6,600
Burlington	Children's Convalescent Hospital.....	41	12,300
Campbellford	Campbellford Memorial Hospital.....	38	11,400
Chapleau	Lady Minto Hospital.....	27	8,100
Chatham	Public General Hospital.....	155	46,500
Chatham	St. Joseph's Hospital.....	119	35,700
Chesley	The Chesley and District Memorial Hospital	19	5,700
Clinton	Clinton Public Hospital.....	36	10,800
Cobourg	Cobourg General Hospital.....	38	11,400
Cobourg	Illahee Lodge.....	52	15,600
Cochrane	Lady Minto Hospital.....	47	14,100
Collingwood	Blue Mountain Camp.....	44	13,200
Collingwood	General and Marine Hospital.....	65	19,500
Cornwall	Cornwall General Hospital.....	146	43,800
Cornwall	Hotel Dieu Hospital.....	134	40,200
Dryden	Dryden District General Hospital.....	22	6,600
Dunnville	Haldimand War Memorial Hospital.....	41	12,300
Durham	Durham Memorial Hospital.....	16	4,800
Emo	Red Cross Outpost Hospital.....	17	5,100
Englehart	Red Cross Outpost Hospital.....	29	8,700
Espanola	Espanola General Hospital.....	17	5,100
Exeter	South Huron and District Memorial Hospital	36	10,800
Fergus	Groves Memorial Hospital.....	26	7,800
Fort Erie	Douglas Memorial Hospital.....	70	21,000
Fort Frances	LaVerendrye Hospital.....	100	30,000
Fort William	McKellar General Hospital.....	425	127,500
Galt	South Waterloo Memorial Hospital.....	169	50,700
Geraldton	Little Long Lac Hospital.....	23	6,900

	HOSPITAL	No. of Beds	Amount
Goderich	Alexandra Marine and General Hospital.....	58	\$17,400
Grimsby	West Lincoln Memorial Hospital.....	38	11,400
Guelph	Guelph General Hospital.....	175	52,500
Guelph	St. Joseph's Hospital.....	168	50,400
Haileybury	Misericordia Hospital.....	78	23,400
Haliburton	Red Cross Outpost Hospital.....	9	2,700
Hamilton	Hamilton General Hospital.....	1,024	307,200
Hamilton	St. Joseph's Hospital.....	479	143,700
Hamilton	St. Peter's Infirmary.....	211	63,300
Hanover	Hanover Memorial Hospital.....	12	3,600
Hawkesbury	Notre-Dame Hospital.....	15	4,500
Hawk Junct.	Red Cross Outpost Hospital.....	9	2,700
Hearst	St. Paul's Hospital.....	56	16,800
Hornepayne	Red Cross Outpost Hospital.....	6	1,800
Huntsville	Huntsville District Memorial Hospital.....	26	7,800
Ingersoll	Alexandra Hospital.....	56	16,800
Iroquois Falls	Anson General Hospital.....	30	9,000
Kenora	Kenora General Hospital.....	59	17,700
Kenora	St. Joseph's Hospital.....	49	14,700
Kilworth	Woodeden Convalescent Hospital.....	40	12,000
Kincardine	Kincardine General.....	32	9,600
Kingston	Hotel Dieu Hospital.....	288	86,400
Kingston	Kingston General Hospital.....	470	141,000
Kingston	St. Mary's-of-the-Lake Hospital.....	103	30,900
Kirkland Lake	Kirkland and District Hospital.....	103	30,900
Kitchener	St. Mary's Hospital.....	121	36,300
Kitchener	Kitchener-Waterloo Hospital.....	446	133,800
Leamington	Leamington and District Memorial Hospital.....	51	15,300
Lindsay	The Ross Memorial Hospital.....	60	18,000
Lion's Head	Red Cross Outpost Hospital.....	5	1,500
Listowel	Memorial Hospital.....	38	11,400
Little Current	St. Joseph's General Hospital.....	48	14,400
London	Parkwood Hospital for Incurables.....	183	54,900
London	St. Joseph's Hospital.....	282	84,600
London	St. Mary's Hospital.....	215	64,500
London	Victoria Hospital.....	596	178,800
McKenzie Island	Margaret Cochenour Memorial Hospital.....	13	3,900
Markdale	Centre Grey General Hospital.....	24	7,200
Matheson	Rosedale War Memorial Hospital.....	9	2,700
Mattawa	Mattawa General Hospital.....	30	9,000
Meaford	Meaford General Hospital.....	29	8,700
Midland	St. Andrew's Hospital.....	42	12,600
Mindemoya	Red Cross Outpost Hospital.....	16	4,800
Mount Forest	Louise Marshall Hospital.....	20	6,000
Nakina	Red Cross Outpost Hospital.....	7	2,100
New Liskeard	New Liskeard and District Hospital.....	40	12,000
Newmarket	The York County Hospital.....	55	16,500
Newtonbrook	St. John's Convalescent Hospital.....	186	55,800
Niagara Falls	The Greater Niagara General Hospital.....	179	53,700
Niagara	Niagara Cottage Hospital.....	27	8,100
Nipigon	Red Cross Outpost Hospital.....	22	6,600
North Bay	Queen Victoria Memorial Hospital.....	101	30,300

	HOSPITAL	No. of Beds	Amount
North Bay	St. Joseph's Hospital.....	116	\$34,800
Oakville	Oakville-Trafalgar Memorial Hospital.....	51	15,300
Orangeville	Lord Dufferin Hospital.....	22	6,600
Orillia	Orillia Soldiers' Memorial Hospital.....	112	33,600
Oshawa	Oshawa General Hospital.....	197	59,100
Ottawa	Ottawa Civic Hospital.....	760	228,000
Ottawa	Ottawa General Hospital.....	602	180,600
Ottawa	The Perley Home for Incurables.....	127	38,100
Ottawa	Hospital St. Louis Marie de Montfort.....	245	73,500
Ottawa	St. Vincent Hospital for Incurables.....	212	63,600
Ottawa	The Salvation Army Grace Hospital.....	38	11,400
Owen Sound	General and Marine Hospital.....	102	30,600
Palmerston	Palmerston General Hospital.....	21	6,300
Paris	The Willett Hospital.....	57	17,100
Parry Sound	The Parry Sound General Hospital.....	70	21,000
Parry Sound	St. Joseph's Hospital.....	59	17,700
Pembroke	General Hospital.....	156	46,800
Pembroke	Pembroke Cottage.....	105	31,500
Penetanguishene	General Hospital.....	18	5,400
Perth	The Great War Memorial Hospital of Perth District.....	49	14,700
Perth	Merrywood-on-the-Rideau.....	40	12,000
Peterborough	St. Joseph's Hospital.....	180	54,000
Peterborough	The Peterborough Civic Hospital.....	226	67,800
Petrolia	Charlotte Eleanor Englehart Hospital.....	40	12,000
Picton	Prince Edward County Hospital.....	27	8,100
Port Arthur	St. Joseph's General Hospital.....	186	55,800
Port Arthur	The General Hospital of Port Arthur.....	219	65,700
Port Colborne	Port Colborne General Hospital.....	100	30,000
Port Hope	The Port Hope Hospital.....	46	13,800
Port Loring	Red Cross Outpost Hospital.....	5	1,500
Port Perry	Port Perry Community Hospital.....	27	8,100
Rainy River	Red Cross Outpost Hospital.....	14	4,200
Red Lake	Red Cross Outpost Hospital.....	16	4,800
Renfrew	Victoria Hospital.....	106	31,800
Richards Landing	Red Cross Outpost Hospital.....	10	3,000
St. Catharines	Hotel Dieu Hospital.....	135	40,500
St. Catharines	The St. Catharines General Hospital.....	275	82,500
St. Mary's	St. Mary's Memorial Hospital.....	33	9,900
St. Thomas	The Memorial Hospital.....	161	48,300
Sarnia	Sarnia General Hospital.....	120	36,000
Sarnia	St. Joseph's Hospital.....	148	44,400
Sault Ste. Marie	Plummer Memorial Public Hospital.....	66	19,800
Sault Ste. Marie	The General Hospital.....	96	28,800
Seaforth	Scott Memorial Hospital.....	39	11,700
Simcoe	Norfolk General Hospital.....	103	30,900
Sioux Lookout	Sioux Lookout General Hospital.....	39	11,700
Smith's Falls	St. Francis General Hospital.....	58	17,400
Smith's Falls	Smith's Falls Public Hospital.....	60	18,000

	HOSPITAL	No. of Beds	Amount
Smooth Rock Falls	Smooth Rock Falls Hospital.....	19	\$5,700
Southampton South	Saugeen Memorial Hospital.....	19	5,700
Porcupine	Porcupine General Hospital.....	22	6,600
Stratford	Stratford General Hospital.....	186	55,800
Strathroy	The General Hospital.....	50	15,000
Sturgeon Falls	St. Jean de Brebeuf Hospital.....	89	26,700
Sudbury	St. Joseph's Hospital.....	173	51,900
Sudbury	Sudbury General Hospital.....	208	62,400
Thessalon	Red Cross Outpost Hospital.....	14	4,200
Tillsonburg	Tillsonburg District Memorial Hospital.....	100	30,000
Timmins	St. Mary's Hospital.....	103	30,900
Toronto	Canadian Mothercraft.....	27	8,100
Toronto	Hillcrest Convalescent Hospital.....	34	10,200
Toronto	Lockwood Clinic.....	48	14,400
Toronto	Our Lady of Mercy Hospital.....	268	80,400
Toronto	St. Joseph's Hospital.....	485	145,500
Toronto	St. Michael's Hospital.....	752	225,600
Toronto	Salvation Army Grace Hospital.....	55	16,500
Toronto	The Home for Incurable Children.....	40	12,000
Toronto	The Hospital for Sick Children.....	762	228,600
Toronto	The New Mount Sinai Hospital.....	362	108,600
Toronto	The Queen Elizabeth Hospital for Incurables	519	155,700
Toronto	The Runnymede Hospital.....	114	34,200
Toronto	Toronto East General and Orthopaedic Hospital.....	368	110,400
Toronto	Toronto General Hospital.....	1,393	417,900
Toronto	Toronto Western Hospital.....	697	209,100
Toronto	Women's College Hospital.....	142	42,600
Trenton	Trenton Memorial Hospital.....	68	20,400
Walkerton	County of Bruce General Hospital.....	34	10,200
Welland	Welland County General Hospital.....	123	36,900
Weston	Humber Memorial Hospital.....	54	16,200
Whitney	Red Cross Outpost Hospital.....	4	1,200
Wiarton	Bruce Peninsula and District Memorial Hospital.....	21	6,300
Wilberforce	Red Cross Outpost Hospital.....	2	600
Winchester	Winchester and District Memorial Hospital..	34	10,200
Windsor	East Windsor Hospital.....	262	78,600
Windsor	Hotel Dieu of St. Joseph's Hospital.....	368	110,400
Windsor	Metropolitan General Hospital.....	255	76,500
Windsor	Salvation Army Grace Hospital.....	181	54,300
Wingham	Wingham General Hospital.....	40	12,000
Woodstock	Woodstock General Hospital.....	86	25,800

ONTARIO'S CONSTRUCTION PROGRAMME FOR HOSPITALS AND SANATORIA

Under a programme inaugurated in 1947 by the Ontario Government, a provincial grant is payable to hospitals as follows: \$1,000 for each new active treatment bed, \$2,000 for each new chronic or convalescent bed, \$8,500 for each new psychiatric or detention bed, as well as \$2,500 for each new T.B. bed, and \$1,000 for each nurse's bed in a residence. Since this policy was started, approval has been given by the Province to contribute towards 18,693 beds, as follows:

Active treatment beds	11,735
Convalescent beds	241
Chronic beds	2,652
Psychiatric beds	311
Detention beds	7
T.B. beds	896
Nurses' beds	2,851
Total	18,693

These programmes up to December 31, 1953, represent a commitment by the Province to assist hospitals and sanatoria by provincial capital grants in the amount of \$32,620,129.79, of which \$26,135,208.29 already has been paid.

The following table will show the bed capacity in the various types of institutions resulting from these programmes, together with those being processed at the present time by the Department of Health:

	Active	Conval- escent	Chronic	Tuber- culosis	Psychi- atric	Deten- tion	Total Hospital Beds
Existing Beds, Dec. 31, 1946	14,427	308	1,643	3,642	....	....	20,020
Total Approved Beds	11,735	241	2,652	896	311	7	15,842
Beds lost due to construction and readjustment	2,048	....	234	163	....	....	2,445
Under construction or approved but not started	3,630	156	1,197	....	221	7	5,211
Net Bed gain since 1946	6,057	85	1,221	733	90	....	8,186
Existing number of beds, Dec. 31, 1953	20,484	393	2,864	4,375	90	....	28,206
Under construction, Dec. 31, 1953	2,597	156	1,197	....	141	5	4,096
Approved but not started	1,033	....	....	....	80	2	1,115
Planned but not approved	403	43	327	....	....	....	773
Beds in incomplete projects to be abandoned	604	....	57	....	....	....	661
Total Beds to be available on completion of programmes	23,913	592	4,331	4,375	311	7	33,529

NURSES' BEDS:

Approved	2,851
Completed	1,589
Under Construction	1,262

NURSERY BASSINETTES:

Approved	2,602
Completed	1,454
Under Construction	1,148

HIGHWAYS EXPENDITURE, FISCAL YEARS 1953-54 AND 1954-55

(Consisting of work for which contracts have been let)

CAPITAL EXPENDITURE	Estimated Expenditure (10 months' actual and 2 months' forecast) 1953-1954	Allocation of Proposed Appropriation for 1954-1955
	\$	\$
1. South Western Ontario Divisions Chatham, Windsor, London, Stratford and Owen Sound—including completion of divided highways in the Windsor, Chatham, London and Woodstock areas; new grading in the Chatham division; 2 rail- way overpasses in the London division and grading and paving in the other 2 divisions.	8,682,620	8,649,000
2. Central Southern Ontario Divisions Hamilton, Toronto and Port Hope, including the completion of the Toronto and Orillia bypasses and the bottleneck over the canal at Washago; 2 railway overpasses and paving and grading.	15,002,650	10,074,000
3. South Eastern Ontario Divisions Kingston, Ottawa and Bancroft—including the com- pletion of the Kingston and Belleville bypasses and the Alunett Island bridge; work on the Trans- Canada Highway and paving and grading.	7,275,092	9,758,000
4. North Central and North Eastern Ontario Divisions . . Huntsville, North Bay, Sudbury, New Liskeard, Cochrane and Blind River—including the completion of work on the Trans-Canada Highway in the Hunts- ville, Sudbury and Blind River divisions; work will be started on a highway north of Montreal River and grading and paving in North Bay, Huntsville and Cochrane divisions.	15,200,316	9,056,000
5. North Western Ontario Divisions Fort William and Kenora—including the completion of work on the Atikokan Highway and the Trans- Canada Highway. Proposed new work entails clearing of Trans-Canada Highway east of Marathon and White River and grading.	7,536,348	4,604,000
6. Property, Buildings, Bridges, Surveys, etc.	3,977,974	4,293,000
7. For elimination of level crossings	800,000	1,531,000
8. Municipal Roads	13,275,000	16,035,000
Sub-total	71,750,000	64,000,000
9. Mining Access Roads	1,000,000	1,000,000
Total Capital Expenditure	<u>72,750,000</u>	<u>65,000,000</u>

ORDINARY EXPENDITURE	Estimated Expenditure (10 months' actual and 2 months' forecast) 1953-1954 \$	Allocation of Proposed Appropriation for 1954-1955 \$
Maintenance of King's Highways and Development Roads and administration expenses of Department.....	34,038,000	40,763,000
Renovating and resurfacing present roads.....	3,000,000	.....
Amount allotted to Municipalities for Maintenance under Municipal Roads Branch.....	18,412,000	18,584,000
Total Ordinary.....	55,450,000	59,347,000
Combined Ordinary and Capital.....	128,200,000 ¹	124,347,000 ¹
Unallocated Amount in Highway Reserve Account.....	.....	21,500,000
	<u>128,200,000¹</u>	<u>145,847,000¹</u>

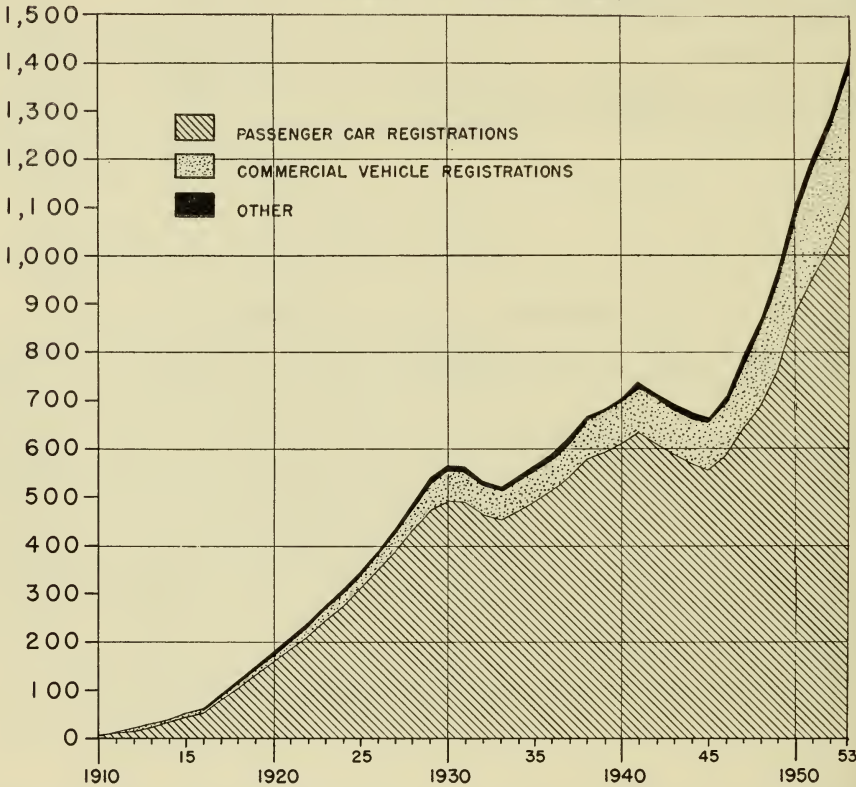
HIGHWAY RESERVE ACCOUNT

Appropriated from Ordinary Account in 1952-53.....	\$30,000,000
Appropriated from Ordinary Account in 1953-54.....	40,500,000
Estimated Capital Expenditure in 1953-54.....	<u>\$70,500,000</u>
Estimated Balance at March 31, 1954.....	37,000,000
To be appropriated from Ordinary Account in 1954-55.....	\$33,500,000
	<u>23,000,000</u>
Estimated Capital Expenditure in 1954-55.....	\$56,500,000
	<u>\$35,000,000</u>
Estimated Balance Available for future Capital Expenditures.....	<u>\$21,500,000</u>

¹Includes \$1.0 million for mining access roads included in Department of Mines Estimates.

PROVINCE OF ONTARIO
MOTOR VEHICLE REGISTRATIONS
1903 — 1953

(IN THOUSANDS OF REGISTRATIONS)



MOTOR VEHICLE REGISTRATIONS SELECTED YEARS 1903 - 1953

YEAR	PASSENGER	COMMERCIAL	OTHER	TOTAL
1903	178			178
1910	4,230			4,230
1920	155,861	16,204	5,496	177,561
1930	490,906	61,690	9,910	562,506
1933	453,314	59,760	7,279	520,353
1941	636,624	95,022	7,548	739,194
1945	555,461	100,234	7,024	662,719
1946	585,604	117,217	8,285	711,106
1947	645,252	140,930	10,765	796,947
1948	698,384	162,589	12,285	873,258
1949	771,709	183,598	14,062	969,369
1950	881,143	202,800	20,137	1,104,080
1951	958,082	225,271	21,745	1,205,098
1952*	1,024,816	243,591	23,346	1,291,753
1953**	1,117,175	261,923	27,021	1,406,119

"COMMERCIAL" Includes Motor Buses.

"OTHER" Includes Motorcycles, Dual purpose vehicles and beginning in 1950, Station Wagons and similar vehicles.

* Revised.

** Preliminary.

MINING ACCESS ROADS CONSTRUCTED BY THE GOVERNMENT OF ONTARIO

Since the Government of Ontario adopted its policy of constructing mining access roads in 1951, the following roads have been completed or are in process of completion. Up to the end of March, 1954, \$2.0 million will have been spent on the construction of various mining access roads. Those below which are marked with an asterisk were built entirely at the public expense, while others were constructed in co-operation with one or more mining companies. The following is a list of the roads completed and started:

*1. Jonsmith-Milnet Road.	Completed in 1952
2. Road from Matarow Mines Limited to Consolidated Mines Limited in Yarrow Township.	Completed in 1952
3. Road from Broulan Reef Mines Limited to Claims in Murphy Township.	Completed in 1952
4. Road from Missanabie to Renabie Mines Limited.	Completed in 1952
5. Truck Road to Delhi (Temagami) Gold Mines Limited, Delhi Township.	Completed in 1952
6. Nemegos Uranium Corporation Road.	Completed in 1952
7. Road from MacKenzie Red Lake Mine to Cottage Cove.	Completed in 1952
8. Gilgreer Mines Limited Road—Lorrain Township.	Completed in 1952
9. Road from Highway 72 to Newlund Mines.	Completed in 1952
10. Purdy Mica Mines Road and Bridge.	Completed in 1952
11. Rowan Consolidated Mine Road.	Completed in 1952
12. East Rim Nickel Mines Limited, Road and By-Pass	Completed in 1953
*13. South Onaman River Area Road—16 miles.	Completed in 1953
*14. Sinclair Road—Connecting Gogama with Westree-Elk Lake Highway—41 miles.	Completed in 1953
15. Jardun Mines Limited Road.	Completed in 1953
16. Road from Red Lake to Madsen and Starratt-Olsen Mine Property.	Completed in 1953
17. Road to Roy Silver Mines.	Completed in 1953
*18. Warren Lake Road—20 miles.	Completed in 1953
*19. Matachewan-Kenogami Road—17.1 miles.	Completed in 1953
*20. Nezhah-Auden Road—9.8 miles.	Completed in 1953
21. Mine Centre Road—Fort Frances Area.	Completed in 1953
22. Ontario Pyrites Road.	Started in 1952
23. Coldstream Copper Mines Road from Kashabowie Station.	Started in 1953
24. Fecunis Lake Road.	Started in 1953
25. Nickel Offsets Road (Chelmsford).	Started in 1953
*26. Sothman-Semple Township Road 10.8 miles.	Started in 1953
27. Sultan Cunningham Road.	Started in 1953

In addition improvement work has been done on the following roads:

28. Atikwa Lake Road.
29. Foleyet Ivanhoe Road.
30. Holtyre Road—Johns-Manville Property.

PUBLIC BUILDINGS AND WORKS

In last year's Budget Statement, the Government announced a large-scale programme of building involving a capital expenditure of \$65 million to be spread over a series of years. Several of these projects were completed in the fiscal year now closing and additional progress will be made on the remainder next year. It is estimated that \$20 million will be required in 1954-55 to continue projects which are now under way and that an additional \$7.5 million will be needed for new work on which a start will be made. This brings the total amount to be voted for 1954-55 for lands, buildings, mental hospitals and other projects to \$27.5 million. In addition to this amount, \$2.5 million is being provided for conservation, drainage and remedial projects, making available a total of \$30.0 million for public works. The following statements list the buildings completed during the fiscal year 1953-54 and the contemplated programme for 1954-55.

Work Completed During the Fiscal Year 1953-54

Offices in the Toronto Area: New Workmen's Compensation Board Building.
Agriculture: Ontario Agricultural College, Guelph—addition to MacDonald Institute.

Agricultural School, Ridgeway—New Assembly Hall.

Agricultural School, Kemptville—New Agricultural Engineering Building.

Food Terminal Building, Etobicoke.

Attorney-General: Registry Office Building, Sudbury—construction of an extension.

Provincial Police: Haliburton County Building, Minden, with accommodation for Ontario Provincial Police.

Education: School for the Blind, Brantford—Junior Residential School with hospital wing.

Lands and Forests: Research Station, Maple—new pathological building.

Sault Ste. Marie—Chief Ranger's Headquarters.

North Bay (at Trout Lake)—Chief Ranger's Headquarters.

Work To Be Continued During the Fiscal Year 1954-55

Offices in the Toronto Area: New Treasury Building, Queen's Park.

Osgoode Hall—new office building and annex.

Yardley House—alterations and renovations.

Agriculture: Ontario Agricultural College, Guelph—construction of a Field Husbandry Research Building, new water reservoir, and major electrical improvements, including a new sub-station.

Attorney-General: New Registry Office Buildings, Bracebridge and Port Arthur.

Provincial Police: New headquarters building at Port Arthur.

New detachment buildings at Ignace, Long Lac, Sioux Narrows and Smooth Rock Falls.

Residences for Provincial Police in Northern Ontario—commitments have been made on 35 and construction started on 14.

Education: New Teachers' Colleges—Toronto—tenders now being let.
Hamilton—site obtained and plans being prepared.

Health: Construction of new Ontario Mental Hospitals at North Bay and Port Arthur and various types of buildings, including new units, nurses' residences, kitchen facilities, reception units, staff rooms, etc., at Brockville, Orillia, Smith's Falls and Toronto.

Highways: Central Stores, Office and Laboratory Building, Wilson Avenue and Keele Street, Toronto—to replace 1200 Sheppard Avenue.

Reform Institutions: New Reformatory project, Millbrook—site purchased and ready to call for tenders.

New Work To Be Started During the Fiscal Year 1954-55

Agriculture: Ontario Agricultural College, Guelph—new vehicle storage building, new paint shop, new Science Building and sewage disposal plant.
Ontario Veterinary College, Guelph—new clinical building for Department of Medicine and Surgery (preparation of plans and preliminary work).
Demonstration Farm, New Liskeard—new Administration Building, capital improvements for all agricultural buildings.

Attorney-General: New Registry Office Building, North Bay.
Registry Office, Fort William—alterations and improvements.

Ontario Provincial Police: District Headquarters Buildings—two new ones to be built.
Detachment Buildings—two new ones at Essex and Kaladar.
Housing—an additional 25 units to be provided.

Education: Ontario School for the Deaf, Belleville—new heating plant.
Ontario School for the Blind, Brantford—new Assembly Hall wing.
Miscellaneous items for capital improvements for all educational buildings.
Teachers' Colleges—new sites as may be required.

Health: Ontario Hospitals—Hamilton—new 600-bed patients' building and 125 bed Nurses' Residence; Kingston—new 500-bed unit, including an Administration Building, Medical-Surgical Building, two infirmary buildings, a new kitchen and dining building, a new Assembly Hall and a 30-bed Nurses' Residence; Brockville—two 130-bed buildings for disturbed patients.
Miscellaneous items for capital improvements for all hospital buildings and works.

Highways: Office accommodation for Division 16 at Cochrane.
Office building for Division 5 at Owen Sound.

Lands and Forests: Kapuskasing—New District Office Building.
Pembroke—New Ranger's Headquarters.
Rondeau Park—Store and restaurant building.
Miscellaneous improvement projects.

Mines: Office Building, Swastika— for the Mining Recorder, Inspector, Resident Geologist and Staff.
Temiskaming Testing Laboratory, Cobalt—alterations.

Public Works: New Office Building, Kemptville—to provide accommodation for the staff of several departments.

Renovation of building to provide General Headquarters for the Ontario Provincial Police in Toronto.

Reform Institutions: Ontario Reformatory, Mimico—construction of Dormitory Building No. 2.

Ontario Reformatory, Brampton—start on a progressive building programme for permanent buildings to replace deteriorated wooden buildings.

Industrial Farm, Monteith—new dormitory buildings with 200 capacity for first unit.

Miscellaneous fireproofing and capital improvements for all reformatories.

Travel and Publicity: Niagara Falls—New Reception Centre.

ASSISTANCE TO MUNICIPALITIES BY THE PROVINCE OF ONTARIO, FISCAL YEARS 1952 TO 1955

	1952	1953	1954 ¹	1955 ²
	(Thousands of Dollars)			
Grants for Education.....	48,863	55,438	58,837	62,335
Grants for Hospitals.....	11,741	14,796	13,248	14,880
Grants for Health Units, School Medical Inspections and School Dental Services.....	580	646	675	702
Grants for Roads.....	25,231	28,021	28,895	31,900
Grants under the Police Act.....	1,894	2,311	2,730	110
Grants under the Fire Departments Act....	1,721	2,076	2,300	100
Unconditional per Capita Grants.....	....	....	....	11,700
Grants for Day Nurseries.....	213	217	230	300
Grants for Children's Aid.....	1,152	1,340	1,487	1,847
Grants for Homes for the Aged.....	2,238	1,971	2,350	2,575
Grants to Assist in the Erection of Housing Units for Elderly Persons.....	....	....	100	150
Grants for Unemployment Relief.....	3,038	2,831	2,800	2,757
Grants for Community Centres.....	428	204	175	150
Grants for Conservation, Drainage Aid and Flood Control.....	1,367	1,251	1,574	2,575
Grants for Mining Municipalities.....	373	1,427	1,392	1,500
Payments in lieu of Certain Municipal Taxes.....	....	376	370	485
Railway Tax Distribution.....	219	250	25	....
Miscellaneous Grants.....	668	808	925	578
Total.....	99,731	113,963	118,113	134,044
Special Grants to Hospitals for Capital Purposes.....	5,750	7,111	7,000	....
	<u>105,481</u>	<u>121,074</u>	<u>125,113</u>	<u>134,044</u>

¹Interim, 10 months' actual plus 2 months' forecast.

²Forecast.

ONTARIO LAND ASSEMBLY AND RENTAL PROJECTS

Land assembly and rental projects, or a combination of the two, have been undertaken in association with an increasing number of municipalities including the 33 in the following list. The 18 municipalities followed by an asterisk have appointed Housing Authorities to operate subsidized rental programmes; 5 other municipalities¹ are in the process of establishing Authorities. Requests for second rental projects have been forwarded from several municipalities.²

Amherstburg*	Hamilton*	Port Arthur*
Arnprior*	Kingston	Prescott*
Atikokan	Kitchener	Renfrew
Brockville	Lindsay*	St. Thomas*
Cobourg	London	Sarnia
Dunnville*	London Twp.	Sault Ste. Marie*
Fort Erie	Midland*	Smith's Falls*
Fort William*	North Bay	Stamford Twp.*
Galt*	Ottawa	Stratford*
Goderich*	Owen Sound	Trenton
Guelph*	Peterborough	Windsor*

¹In Fort Erie, Owen Sound, Renfrew, North Bay and Trenton.

²Hamilton, Goderich, Fort William, Midland, Prescott and Windsor.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION

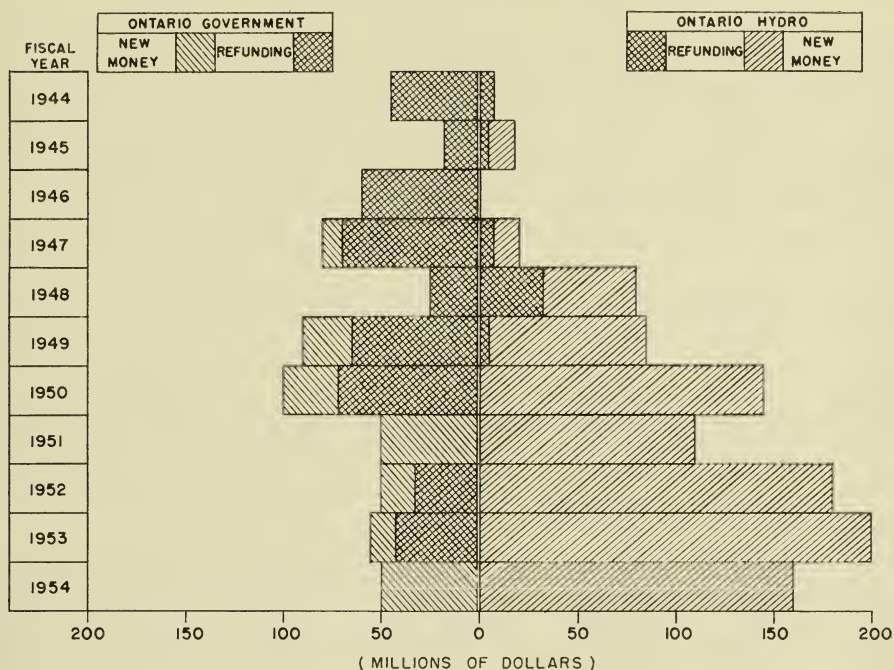
Through the Ontario Municipal Improvement Corporation, which was established on March 24, 1950, the Government of Ontario purchases debentures issued by municipalities for such undertakings as waterworks, sewage and drainage works and garbage incineration plants. The Corporation is managed by three directors, subject to the approval of the Lieutenant-Governor-in-Council, and is empowered to borrow money up to an aggregate of \$50 million on the Corporation's debentures, treasury bills or short term notes. By March 31, 1954, the Corporation's purchases of municipal debentures will total \$17,912,369 as follows:

Atikokan, Township of	Water and Sewers	\$ 332,500.00
Board of Management of the Inter-Urban Area of Burlington-Nelson	Water	327,000.00
Bertie, Township of	Water	137,000.00
Bracebridge, Town of	Water	90,000.00
Bronte, Village of	Water	210,000.00
Chapleau, Township of	Sewers	310,000.00
Cobden, Village of	Water and Sewers	77,900.00
Cochrane, Town of	Sewers	109,000.00
Crystal Beach, Village of	Water and Sewers	144,429.35
Delhi, Village of	Water and Sewers	50,000.00

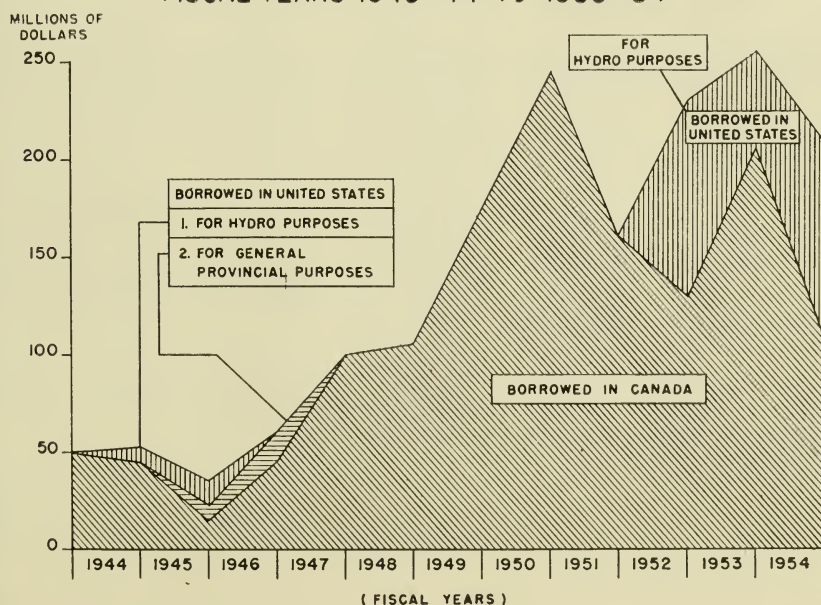
Dryden, Town of	Water	\$ 55,100.00
Elmvale, Village of	Water	4,100.00
Etobicoke, Township of	Water and Sewers	1,416,113.75
Fort Frances, Town of	Water and Sewers	34,463.66
Geraldton, Town of	Water	90,000.00
Grantham, Township of	Water	107,700.00
Hawkesbury, Town of	Water and Sewers	123,800.00
Hearst, Town of	Water and Sewers	52,000.00
Long Branch, Village of	Water	106,700.00
Madoc, Village of	Water and Sewers	15,500.00
Mattawa, Town of	Water and Sewers	193,500.00
Matheson, Town of	Water	13,000.00
Morrisburg, Village of	Sewers	8,500.00
McKin, Township of	Water and Sewers	737,188.59
North York, Township of	Incinerator, Water and Sewers	1,747,367.59
Niagara Falls, City of	Water	598,000.00
Neelon and Garson, United Township of	Water	188,663.95
New Liskeard, Town of	Water and Sewers	116,000.00
Niagara, Township of	Sewers and Drainage	52,311.98
Oakville, Town of	Water	490,000.00
Port McNicoll, Village of	Water	16,500.00
Port Credit, Village of	Water	270,476.00
Parry Sound, Town of	Water and Sewers	17,500.00
Red Rock, Improvement District of	Water and Sewers	17,000.00
Riverside, Town of	Water and Sewers	152,982.78
Sioux Lookout, Town of	Water and Sewers	101,985.00
Scarborough, Township of	Water and Sewers	4,772,800.00
South River, Village of	Water	120,000.00
Sandwich East, Township of	Water and Sewers	207,738.33
Sandwich West, Township of	Water	21,839.88
Schreiber, Township of	Water	35,000.00
Stamford, Township of	Water	602,000.00
Sudbury, City of	Water and Sewers	276,404.17
St. Clair Beach, Village of	Water	11,130.00
Sturgeon Falls, Town of	Water and Sewers	89,864.00
Tay, Township of	Water	93,000.00
Teck, Township of	Water	100,000.00
Tecumseh, Township of	Sewers	22,385.00
Timmings, Town of	Sewers	109,875.00
Toronto, Township of	Water	800,000.00
Windsor, City of	Water	2,000,000.00
Widdifield, Township of	Water	39,050.00
Westminster, Township of	Sewers	28,000.00
West Ferris, Township of	Water	60,000.00
Whitney, Township of	Sewers	9,000.00

\$17,912,369.03

DEBENTURES ISSUED FOR ONTARIO GOVERNMENT AND ONTARIO HYDRO PURPOSES FISCAL YEARS 1943-44 TO 1953-54



DEBENTURES ISSUED IN CANADA AND THE UNITED STATES FISCAL YEARS 1943-44 TO 1953-54



PROVINCE OF ONTARIO
SURPLUS ON ORDINARY ACCOUNT

For Fiscal Years 1950-51 to 1953-54

	1950-51	1951-52	1952-53	Estimated 1953-54
	\$	\$	\$	\$
Net Ordinary Revenue.....	265,272,106	302,320,999	349,500,385	362,176,000
Less—Net Ordinary Expenditure—before provision for Sinking Funds.....	228,090,424	266,983,560	317,540,514	344,222,000
Surplus—before provision for Sinking Funds.....	37,181,682	35,337,439	31,959,871	17,954,000
Less—Provision for Sinking Funds.....	21,698,000	34,276,000	30,859,000	16,945,000
Balance carried to Surplus Account.....	<u>15,483,682</u>	<u>1,061,439</u>	<u>1,100,871</u>	<u>1,009,000</u>

STATEMENT OF CONSOLIDATED REVENUE FUND

	1950-51	1951-52	1952-53	Estimated 1953-54
	\$	\$	\$	\$
Receipts:				
On Ordinary Account.....	265,272,106	302,320,999	349,500,385	362,176,000
On Capital Account.....	44,245,171	80,671,478	112,447,008	89,830,000
Net Proceeds of Loans, etc.....	59,960,000	195,824,600	206,756,714	253,469,000
	<u>369,477,277</u>	<u>578,817,077</u>	<u>668,704,107</u>	<u>705,475,000</u>
Disbursements:				
On Ordinary Account.....	249,788,424	301,259,560	348,399,514	361,167,000
On Capital Account.....	74,308,558	191,865,947	151,515,201	219,594,000
Loan Retirements, etc.....	60,362,831	74,045,751	174,026,000	134,901,000
	<u>384,459,813</u>	<u>567,171,258</u>	<u>673,940,715</u>	<u>715,662,000</u>
Net Increase or (Decrease) on Year.....	(14,982,536)	11,645,819	(5,236,608)	(10,187,000)
	<u>369,477,277</u>	<u>578,817,077</u>	<u>668,704,107</u>	<u>705,475,000</u>

SUMMARY OF INCREASES IN NET DEBT

	1950-51	1951-52	1952-53	Estimated 1953-54
	\$	\$	\$	\$
Capital Disbursements on Highways, Public Buildings, Works, etc.....	55,595,725	71,054,456	86,193,642	102,686,000
Less—Capital Receipts relating thereto..	5,523,416	3,376,527	2,762,908	2,810,000
	<u>50,072,309</u>	<u>67,677,929</u>	<u>83,430,734</u>	<u>99,876,000</u>
Less—Capital Disbursements from High- way Reserve Account.....	.....	.....	.....	37,000,000
	<u>50,072,309</u>	<u>67,677,929</u>	<u>83,430,734</u>	<u>62,876,000</u>
Miscellaneous Increase or (Decrease)....	(159,443)	744,149	(2,030,467)	957,448
	<u>49,912,866</u>	<u>68,422,078</u>	<u>81,400,267</u>	<u>63,833,448</u>
Less Surplus (before providing for Sinking Funds).....	37,182,032	35,337,439	31,959,871	17,954,000
Increase in Net Debt.....	<u>12,730,834</u>	<u>33,084,639</u>	<u>49,440,396</u>	<u>45,879,448¹</u>
Held against the Net Debt as of March 31, 1954 are the following items:				
Highway Reserve Account.....				33,500,000
Corporations Tax Reserve Account.....				14,355,405
				<u>47,855,405</u>

¹Subject to downward revision.

NET ORDINARY REVENUE BY MAJOR SOURCES

For Fiscal Years 1950-51 to 1953-54

	1950-51	1951-52	1952-53	Estimated 1953-54
Government of Canada—	\$	\$	\$	\$
Statutory Subsidies.....	3,155,007	3,640,940	3,640,940	3,641,000
Interest—Common School Fund.....	71,230	71,256	71,017	71,000
Share of Income Tax Collected from Privately-owned Corporations Operat- ing Public Utilities.....	815,129	629,671	474,195	470,000
Tax Rental Agreement.....	.....	.....	123,327,363	134,448,000
	<u>4,041,366</u>	<u>4,341,867</u>	<u>127,513,515</u>	<u>138,630,000</u>
Taxation—				
Corporation Tax.....	76,254,322	94,115,142	.....	.....
Gasoline Tax.....	65,040,230	71,382,060	77,647,918	85,000,000
Succession Duties.....	17,828,053	21,651,683	19,821,340	19,500,000
Hospitals Tax.....	6,289,533	6,329,167	6,667,475	6,702,000
Race Track Betting.....	4,158,882	4,013,768	3,639,624	3,968,000
Mining Tax and Sundry.....	3,973,587	5,381,302	4,533,158	4,107,000
Security Transfer Tax.....	1,644,808	1,796,990	1,846,160	1,800,000
Logging Tax.....	1,289,205	922,272	827,038	700,000
Land Transfer Tax.....	1,702,440	1,835,958	2,048,882	2,400,000
Other Taxes.....	523,327	568,624	609,383	761,600
	<u>178,704,387</u>	<u>207,996,966</u>	<u>117,640,978</u>	<u>124,938,600</u>
Other Revenue—				
Agriculture.....	845,328	848,667	947,964	987,000
Attorney-General.....	1,472,297	2,484,503	2,953,251	3,438,500
Education.....	1,356,794	1,320,682	2,142,321	1,310,000
Health.....	2,598,711	2,895,677	3,722,907	3,908,000
Highways—				
Motor Vehicles—				
Licenses.....	19,702,525	20,541,499	24,023,201	23,000,000
Fees and Fines.....	628,170	680,704	816,416	.....
Other Licenses, Rentals, etc.....	78,475	82,338	75,728	650,000
Insurance.....	332,931	338,189	365,348	357,900
Labour.....	227,766	261,376	271,589	443,000
Lands and Forests—				
Timber Dues, Bonus, etc.....	6,461,103	9,500,865	15,117,701	11,200,000
Fish and Game Licenses, Fines.....	3,065,752	3,319,945	3,409,915	3,700,000
Water Power Leases.....	827,937	1,101,125	1,293,570	1,600,000
Other Rentals, Licenses, Fees.....	285,013	312,534	406,952	450,000
Mines.....	424,750	475,356	550,908	965,000
Municipal Affairs.....	396,737	511,724	446,611	460,000
Provincial Secretary.....	966,792	839,914	935,055	1,308,000
Provincial Treasurer—				
Liquor Control Board Profits.....	40,000,000	42,000,000	44,000,000	42,000,000
Transfer Fees.....	1,073,727	585,543	745,037	750,000
Law Stamps.....	731,758	877,655	932,931	950,000
Theatre Licenses and Other.....	317,797	281,230	296,787	280,000
Reform Institutions.....	583,159	568,260	531,767	564,000
Various Other Departments.....	148,831	154,380	359,933	286,000
	<u>82,526,353</u>	<u>89,982,166</u>	<u>104,345,892</u>	<u>98,607,400</u>
Total Net Ordinary Revenue.....	<u>265,272,106</u>	<u>302,320,999</u>	<u>349,500,385</u>	<u>362,176,000</u>

NET ORDINARY EXPENDITURE BY MAJOR CLASSIFICATIONS

For Fiscal Years 1950-51 to 1953-54

	1950-51 \$	1951-52 \$	1952-53 \$	Estimated 1953-54 \$
Education, Health and Welfare—				
Legislative Grants for Education.....	42,564,707	47,893,538	53,879,038	56,902,000
Education of Non-Resident Pupils.....	499,990	450,874	720,711	915,000
Grants to Universities.....	5,748,000	6,276,000	6,646,282	7,111,000
Special Capital Grants to Universities ..	.....	2,300,000	2,000,000	3,000,000
Public Libraries.....	424,998	504,933	599,439	735,000
Teachers' Superannuation Fund.....	2,602,456	2,974,385	3,550,809	3,973,500
Special Contribution.....	.....	1,000,000	1,000,000	1,000,000
Grants to Health Units.....	493,236	539,000	602,985	625,000
Grants to Sanatoria.....	5,380,436	6,039,897	5,925,287	6,200,000
Grants to Public Hospitals.....	10,145,694	11,641,591	14,738,298	13,198,000
Grants to Isolation Hospitals.....	.....	25,824	57,576	50,000
Special Capital Grants to Hospitals....	.....	5,750,000	7,110,700	7,000,000
Special Grant to Ontario Cancer Foundation.....	.....	.....	.....	1,000,000
Ontario Hospitals—Administrative and				
Operating Expenses.....	14,015,492	16,024,156	17,261,053	18,984,500
Children's Aid—Grants, Services, etc....	1,181,153	1,343,890	1,589,374	1,788,000
Mothers' Allowances.....	5,546,055	6,037,618	6,431,729	6,210,000
Medical Services.....	251,937	241,755	285,865	293,000
Old Age and Blind Pensions.....	10,179,529	8,689,574	4,764,474	4,940,000
Medical Services.....	978,836	968,154	1,248,430	1,352,800
Disabled Persons' Allowances.....	.....	.....	882,752	2,510,000
Medical Services.....	.....	.....	17,465	63,000
Homes for the Aged—				
Grants for Maintenance.....	386,205	671,846	860,035	950,000
Grants for New Homes.....	652,194	1,566,106	1,111,395	1,400,000
Direct Relief to Unemployables.....	2,686,982	3,037,639	2,831,241	2,800,000
Grants for Upkeep of Day Nurseries....	197,913	217,538	216,868	230,000
Other Expenditure.....	11,589,176	12,633,681	14,004,114	16,383,200
Total Education, Health, and Welfare	115,524,989	136,827,999	148,335,920	159,614,000
Agriculture, Forestry and Mining—				
Ontario Agricultural College, Guelph ..	2,156,455	2,295,979	2,601,318	2,772,000
Ontario Veterinary College, Guelph....	601,408	625,674	736,645	748,200
Other Schools and Farms.....	439,741	572,517	661,293	727,000
Agricultural Representative Branch....	725,634	797,978	865,285	887,200
Agricultural and Horticultural Societies Branch.....	709,758	710,645	537,359	597,500
Basic Organization (Forestry)—				
District Offices.....	6,794,258	7,005,511	7,663,457	7,886,000
Other Field Services.....	1,486,862	1,745,656	1,556,050	2,322,600
Mines.....	826,896	919,710	979,794	1,060,000
Other Expenditure.....	3,884,202	4,586,537	5,156,199	5,641,500
Total Agriculture, Forestry and Mining.....	17,625,214	19,260,207	20,757,400	22,642,000
Highways—				
Highways and Development Roads....	29,024,873	33,732,814	34,516,646	29,000,000
Resurfacing and Renovating Roads....	.....	.....	.....	3,000,000
Municipal Roads—				
Development Roads.....	174,314	169,798	202,335	520,000
Roads in Unincorporated Townships in Northern Ontario.....	474,718	480,935	604,121	645,000
Municipal Subsidies.....	14,027,597	16,203,946	17,358,990	17,000,000
Other Expenditure.....	3,486,965	3,904,483	4,709,512	5,285,000
Total Highways.....	47,188,467	54,491,976	57,391,604	55,450,000

	1950-51	1951-52	1952-53	Estimated 1953-54
	\$	\$	\$	\$
Public Works—				
Public Buildings—Maintenance and Repair.....	2,708,505	2,676,404	3,125,363	3,704,000
Dams, Docks, etc., and Drainage Works.....	99,714	55,979	51,713	100,000
Grants in Aid of Drainage Work.....	116,397	189,083	252,294	550,000
Other Expenditure.....	522,652	737,036	882,899	981,000
Total Public Works.....	3,447,268	3,658,502	4,312,269	5,335,000
Municipal Affairs—				
Subsidies for Police Departments.....	1,669,312	1,893,823	2,310,727	2,730,000
Subsidies for Fire Departments.....	1,588,626	1,720,571	2,075,791	2,300,000
1-Mill Supplementation.....	386,857	378,425	323,517	284,600
Subsidies to Mining Municipalities.....	302,132	372,559	1,427,214	1,392,000
Payments in Lieu of Certain Municipal Taxes.....			375,751	370,000
Other Expenditure.....	640,228	1,031,665	1,297,510	2,381,400
Total Municipal Affairs.....	4,587,155	5,397,043	7,810,510	9,458,000
Planning and Development—				
Grant—Regent Park Housing.....	206,000	64,000	324,000	
Housing Projects.....	322,932	374,586	350,000	70,000
Additional Provision for Housing.....		1,000,000		
Research Council of Ontario—Research Projects and Activities.....	366,207	423,691	443,479	490,000
Other Expenditure.....	660,635	686,434	747,347	862,000
Total Planning and Development.....	1,555,774	2,548,711	1,864,826	1,422,000
Labour.....	1,002,838	1,232,054	1,466,482	1,632,000
Attorney-General—				
Criminal Justice Accounts.....	1,939,452	2,024,522	2,352,718	2,485,800
Law Enforcement Branch.....	3,639,386	4,095,034	4,681,372	5,165,250
Other Expenditure.....	1,807,227	5,004,809	3,152,333	3,358,950
Total Attorney-General.....	7,386,065	11,124,365	10,186,423	11,010,000
Reform Institutions—				
Ontario Reformatories.....	1,808,191	2,034,201	1,886,325	2,088,000
Industrial Farms.....	1,745,866	1,747,336	1,824,270	2,047,000
Ontario Training Schools for Boys.....	518,002	627,438	607,278	643,000
Ontario Training School for Girls.....	191,646	259,089	255,293	250,000
Other Expenditure.....	654,935	1,205,775	989,467	1,070,000
Total Reform Institutions.....	4,918,640	5,873,839	5,562,633	6,098,000
Provincial Secretary.....	864,184	1,176,108	1,439,222	1,527,000
Lieutenant-Governor.....	11,594	17,255	17,480	19,000
Prime Minister.....	399,143	257,407	251,719	378,000
Provincial Treasurer—				
Public Service Superannuation Fund... Special Contribution to Fund.....	1,349,500	1,454,727	1,561,018	1,740,000
Provision for Junior Farm Establishment Loan Corporation.....			1,000,000	
Other Expenditure.....	1,506,535	1,749,171	1,898,640	2,022,000
Total Provincial Treasurer.....	2,856,035	3,203,898	4,459,658	4,762,000
Provincial Auditor.....	200,611	222,516	234,990	261,000

	1950-51	1951-52	1952-53	Estimated 1953-54
	\$	\$	\$	\$
Travel and Publicity—				
Ontario Rentals Administration		397,010	558,287	469,500
Other Expenditure	613,546	647,886	701,606	884,500
Total Travel and Publicity	613,546	1,044,896	1,259,893	1,354,000
Insurance	120,237	132,941	145,942	177,000
Queen's Printer—Stationery Account	30,092	64,437	.....	35,000
Total of Above Departmental Expenditure	208,331,852	246,534,154	265,496,971	281,174,000
Public Debt—Interest, Exchange, etc.	19,758,572	20,449,406	22,043,543	22,548,000
Total Ordinary Expenditure before Providing for Highway Reserve Account and Sinking Funds	228,090,424	266,983,560	287,540,514	303,722,000
Provision for Highway Reserve Account			30,000,000	40,500,000
Provision for Sinking Funds	21,698,000	34,276,000	30,859,000	16,945,000
Total Net Ordinary Expenditure	249,788,424	301,259,560	348,399,514	361,167,000

CAPITAL RECEIPTS

For Fiscal Years 1950-51 to 1953-54

	1950-51	1951-52	1952-53	Estimated 1953-54
	\$	\$	\$	\$
Salvaging Fire-damaged Timber	5,162,994	3,036,457	2,315,958	1,850,000
Sale of Lands and Buildings	360,422	340,070	446,950	960,000
	5,523,416	3,376,527	2,762,908	2,810,000
Repayment of Loans and Advances—				
Hydro-Electric Power Commission of Ontario	2,784,702	1,732,500	11,989,933	1,812,500
Agricultural Development Board	1,875,000	1,625,000	1,350,000	1,150,000
Consolidated Revenue Fund Surplus Investments		20,000,000	.....	.....
Housing Development Act			92,332	206,000
Other	566,361	546,598	553,780	546,100
Deposits in Special Funds—				
Industry and Labour Board—Vacation Pay Stamps Sales	6,071,802	8,620,457	9,536,770	10,500,000
Public Service Superannuation and Retirement Funds	4,056,060	4,362,742	4,841,252	11,327,000
Unsatisfied Judgment Fund	760,153	790,070	1,568,184	1,600,000
Other	360,234	426,467	639,117	524,300
Deferred Assets—				
Discount on Debentures, written off ...	536,526	523,394	622,777	663,400
Discount on Debentures assumed by the Hydro-Electric Power Commission ..	.....	3,375,000	2,250,000	1,235,000
Discount on Treasury Bills .....	.....	.....	18,500	.....
Surplus Receipts—				
Provision for Sinking Funds	21,698,000	34,276,000	30,859,000	16,945,000
Other	1,558	892	1,073	1,200
Carried forward				

	1950-51 \$	1951-52 \$	1952-53 \$	Estimated 1953-54 \$
Brought forward				
Reserves—				
Highway Reserve Account			30,000,000	40,500,000
Corporations Tax (receipts applicable to period preceding Tax Rental Agreement)			14,355,405	
Province's Expanding Housing Operations		1,000,000		
Ontario Junior Farmer Establishment Loan Corporation			1,000,000	
Miscellaneous	11,360	15,831	5,977	9,500
Total Capital Receipts	<u>44,245,172</u>	<u>80,671,478</u>	<u>112,447,008</u>	<u>89,830,000</u>

CAPITAL DISBURSEMENTS

For Fiscal Years 1950-51 to 1953-54

	1950-51 \$	1951-52 \$	1952-53 \$	Estimated 1953-54 \$
Highways—				
Highways and Development Roads	27,576,392	38,384,809	51,443,951	58,475,000
Municipal Roads Branch—				
Development Roads	1,581,167	1,593,945	1,638,249	2,000,000
Roads in Unincorporated Townships in Northern Ontario	179,232	216,670	227,424	250,000
Municipal Subsidies	6,664,275	8,329,843	9,830,066	11,000,000
Contingencies			4,516	25,000
Mining Roads—Construction		145,532	870,568	1,000,000
Rural Power Extension—Bonus	7,296,679	10,223,736	8,825,749	9,700,000
Public Works—				
Public Buildings—Construction	8,305,790	8,493,533	8,381,025	18,000,000
Grants—Conservation	397,039	1,039,831	990,959	1,024,000
Other Grants and Miscellaneous	268,329	356,658	326,353	412,000
Salvaging Fire-damaged Timber	3,326,822	2,196,672	1,654,782	800,000
Grant for an Institute of Radio-therapy		73,227	2,000,000	
	<u>55,595,725</u>	<u>71,054,456</u>	<u>86,193,642</u>	<u>102,686,000</u>
Loans and Advances—				
Hydro-Electric Power Commission of Ontario		100,000,000	50,000,000	100,000,000
Housing Development Act			2,096,940	2,000,000
Investment—Consolidated Revenue Fund Surplus	10,000,000	10,000,000		
Other	507,531	637,333	472,780	495,000
Special Funds—				
Industry and Labour Board—Vacation Pay Stamps Redeemed	5,560,545	6,935,470	8,888,681	10,010,000
Public Service Superannuation and Retirement Funds	1,557,234	1,858,941	1,920,868	2,417,000
Unsatisfied Judgment Fund	733,823	982,400	1,214,023	1,400,000
Other	351,335	392,800	724,285	585,000
Reserves—Miscellaneous	2,365	4,547	3,982	1,000
Total Capital Disbursements	<u>74,308,558</u>	<u>191,865,947</u>	<u>151,515,201</u>	<u>219,594,000</u>

**SURPLUS OR DEFICIT* ON ORDINARY ACCOUNT
BEFORE AND AFTER PROVISION FOR SINKING FUNDS**

FISCAL YEARS 1936 TO 1954

Fiscal Year ending March 31st	Net Ordinary Revenue	Net Ordinary Expenditure before pro- vision for Sinking Funds	Surplus or <i>Deficit</i> * before pro- vision for Sinking Funds	Provision for Sinking Funds	Surplus or <i>Deficit</i> * on Ordinary Account
	\$	\$	\$	\$	\$
1936.....	65,726,984	78,178,770	12,451,786*	890,920	13,342,706*
1937.....	80,488,440	70,256,376	10,232,064	918,125	9,313,939
1938.....	86,052,793	80,495,109	5,557,684	947,965	4,609,719
1939.....	86,843,271	85,528,120	1,315,151	992,655	322,496
1940.....	88,172,952	90,368,393	2,195,441*	1,038,655	3,234,096*
1941.....	103,802,020	88,780,934	15,021,086	1,086,655	13,934,431
1942.....	111,496,170	95,208,016	16,288,154	1,129,000	15,159,154
1943.....	108,214,063	91,083,245	17,130,818	1,181,000	15,949,818
1944.....	118,096,684	101,210,715	16,885,969	5,570,000	11,315,969
1945.....	117,124,347	110,956,977	6,167,370	5,292,000	875,370
1946.....	128,368,864	121,450,964	6,917,900	5,352,000	1,565,900
1947.....	142,875,758	135,506,854	7,368,904	5,422,655	1,946,249
1948.....	191,698,952	160,589,199	31,109,753	5,481,000	25,628,753
1949.....	215,469,613	190,706,361	24,763,252	15,550,000	9,213,252
1950.....	228,550,022	199,271,374	29,278,648	20,622,000	8,656,648
1951.....	265,272,106	228,090,424	37,181,682	21,698,000	15,483,682
1952.....	302,320,999	266,983,560	35,337,439	34,276,000	1,061,439
1953.....	349,500,385	317,540,514 ¹	31,959,871	30,859,000	1,100,871
1954 ²	362,176,000	344,222,000 ¹	17,954,000	16,945,000	1,009,000

¹Including amount set aside for the Highway Reserve Account: \$30,000,000 in fiscal year 1953 and \$40,500,000 in fiscal year 1954.

²Interim figures.

SURPLUS OR DEFICIT
FISCAL YEARS 1867-1954

	<i>Ordinary Revenue *</i>	<i>Ordinary Expenditure *</i>	<i>Surplus</i>	<i>Deficit</i>
July 1st, 1867 to December 31st, 1867.....	\$ 182,899.63	\$ 56,669.97	\$ 126,229.66	
Fiscal Year ending December 31st, 1868.....	2,250,207.74	1,179,269.17	1,070,938.57	
" " " " " " 1869.....	2,625,179.29	1,445,751.73	1,179,427.56	
" " " " " " 1870.....	2,500,695.70	1,578,976.65	921,719.05	
" " " " " " 1871.....	2,333,179.62	1,816,784.11	516,395.51	
" " " " " " 1872.....	3,060,747.97	2,217,555.07	843,192.90	
" " " " " " 1873.....	2,961,515.31	2,940,803.45	20,711.86	
" " " " " " 1874.....	3,446,347.93	3,870,704.14		\$ 424,356.21
" " " " " " 1875.....	3,156,605.81	3,604,524.42		447,918.61
" " " " " " 1876.....	2,589,222.83	3,139,505.66		550,282.83
" " " " " " 1877.....	2,502,566.04	3,119,117.73		616,551.69
" " " " " " 1878.....	2,285,178.07	2,902,388.37		617,210.30
" " " " " " 1879.....	2,287,951.39	2,941,714.27		653,762.88
" " " " " " 1880.....	2,584,169.76	2,518,186.80	65,982.96	
" " " " " " 1881.....	2,788,746.78	2,579,802.28	208,944.50	
" " " " " " 1882.....	2,880,450.40	2,918,826.95		38,376.55
" " " " " " 1883.....	2,439,941.42	2,887,037.73		447,096.31
" " " " " " 1884.....	2,820,555.45	3,207,889.67		387,334.22
" " " " " " 1885.....	3,005,920.71	3,040,139.07		34,218.36
" " " " " " 1886.....	3,148,660.01	3,181,449.69		32,789.68
" " " " " " 1887.....	3,527,577.95	3,454,372.43	73,205.52	
" " " " " " 1888.....	3,603,262.14	3,545,234.85	58,027.29	
" " " " " " 1889.....	3,538,405.08	3,653,356.37		114,951.29
" " " " " " 1890.....	3,423,154.99	3,896,324.38		473,169.39
" " " " " " 1891.....	4,138,589.09	4,158,459.55		19,870.46
" " " " " " 1892.....	4,662,921.57	4,068,257.39	594,664.18	
" " " " " " 1893.....	4,091,914.01	3,907,145.32	184,768.69	
" " " " " " 1894.....	3,453,162.69	3,839,338.75		386,176.06
" " " " " " 1895.....	3,585,300.10	3,758,595.44		173,295.34
" " " " " " 1896.....	3,490,671.45	3,703,379.73		212,708.28
" " " " " " 1897.....	4,139,847.68	3,767,675.70	372,171.98	
" " " " " " 1898.....	3,647,353.09	3,803,081.38		155,728.29
" " " " " " 1899.....	4,096,494.96	3,710,420.82	386,074.14	
" " " " " " 1900.....	4,192,940.18	4,003,729.37	189,210.81	
" " " " " " 1901.....	4,466,043.92	4,038,834.49	427,209.43	
" " " " " " 1902.....	4,291,082.91	4,345,003.58		53,920.67
" " " " " " 1903.....	5,466,653.13	4,888,982.57	577,670.56	
" " " " " " 1904.....	6,128,358.57	5,267,453.02	860,905.55	
" " " " " " 1905.....	6,016,176.42	5,396,016.74	620,159.68	
" " " " " " 1906.....	7,149,478.39	6,720,179.07	429,299.32	
" " " " " " 1907.....	8,320,419.19	7,714,245.61	606,173.58	
" " " " " " 1908.....	8,602,902.96	8,557,064.60	45,838.36	
Ten Months ending October 31st, 1909.....	7,477,920.94	7,545,040.47		67,119.53
Fiscal Year ending October 31st, 1910.....	8,891,004.68	8,887,520.09	3,484.59	
" " " " " " 1911.....	9,370,833.90	9,619,934.03		249,100.13
" " " " " " 1912.....	10,042,000.68	10,287,991.59		245,990.91
" " " " " " 1913.....	11,188,302.09	10,868,026.28	320,275.81	
" " " " " " 1914.....	11,121,382.07	11,819,310.65		697,928.58
" " " " " " 1915.....	12,975,732.19	12,704,362.16	271,370.03	
" " " " " " 1916.....	13,841,339.64	12,706,332.90	1,135,006.74	
" " " " " " 1917.....	18,269,597.23	16,518,222.64	1,751,374.59	
" " " " " " 1918.....	19,270,123.71	17,460,404.05	1,809,719.66	
" " " " " " 1919.....	19,904,772.04	21,464,574.88		1,559,802.84
" " " " " " 1920.....	25,078,094.62	25,880,842.45		802,747.83
" " " " " " 1921.....	29,261,477.39	28,579,687.98	681,789.41	
" " " " " " 1922.....	38,507,311.09	37,442,985.53	1,064,325.26	
" " " " " " 1923.....	26,166,213.39	41,361,439.92		15,195,226.53
" " " " " " 1924.....	30,569,015.92	39,037,780.43		8,468,764.51
" " " " " " 1925.....	35,852,404.28	40,959,769.27		5,107,364.99
" " " " " " 1926.....	40,984,958.63	41,797,098.94		812,140.31
" " " " " " 1927.....	46,607,638.88	46,248,415.49	359,223.39	
" " " " " " 1928.....	48,570,217.10	48,341,980.66	228,236.44	
" " " " " " 1929.....	54,012,679.53	51,369,785.85	2,642,893.68	
" " " " " " 1930.....	57,343,291.21	57,989,352.69		646,061.48
" " " " " " 1931.....	54,390,092.37	54,846,994.28		456,901.91
" " " " " " 1932.....	54,175,233.01	56,236,031.32		2,060,798.31
" " " " " " 1933.....	51,373,051.98	50,896,626.37	476,425.61	
" " " " " " 1934.....	50,067,841.37	80,667,091.15		30,599,249.78
Five Months ending March 31st, 1935.....	21,048,944.06	31,489,616.34		10,440,672.28
Fiscal Year ending March 31st, 1936.....	65,726,984.57	79,069,690.31		13,342,705.74
" " " " " " 1937.....	80,488,439.95	71,174,501.41	9,313,938.54	
" " " " " " 1938.....	86,052,792.88	81,443,074.35	4,609,718.53	
" " " " " " 1939.....	86,843,270.67	86,520,775.25	322,495.42	
" " " " " " 1940.....	88,172,951.62	91,407,047.81		3,234,096.19
" " " " " " 1941.....	103,802,020.46	89,867,589.32	13,934,431.14	
" " " " " " 1942.....	111,496,169.77	96,337,015.77	15,159,154.00	
" " " " " " 1943.....	108,214,063.15	92,264,245.06	15,949,818.09	
" " " " " " 1944.....	118,096,683.51	106,780,714.54	11,315,968.97	
" " " " " " 1945.....	117,124,346.77	116,248,976.56	875,370.21	
" " " " " " 1946.....	128,368,864.36	126,802,964.37	1,565,899.99	
" " " " " " 1947.....	142,875,758.56	140,929,509.33	1,946,249.23	
" " " " " " 1948.....	191,698,952.37	166,070,199.53	25,628,752.84	
" " " " " " 1949.....	215,469,613.61	206,256,361.37	9,213,252.24	
" " " " " " 1950.....	228,550,022.27	219,893,373.67	8,656,648.60	
" " " " " " 1951.....	265,272,106.50	249,788,424.26	15,483,682.24	
" " " " " " 1952.....	302,320,998.85	301,259,559.94	1,061,438.91	
" " " " " " 1953.....	349,500,385.36	348,399,514.15	1,100,871.21	
" " " " " " 1954**.....	362,176,000.00	361,167,000.00	1,009,000.00	

*Revenue and Expenditure figures for the years 1867 to 1907 inclusive comprise both ordinary and capital revenue and expenditure. Revenue and Expenditure from 1923 to 1954 inclusive shown as net surplus after applying certain revenues as a reduction of expenditure.

**Interim figures only.

GROSS AND

FISCAL YEARS

GROSS DEBT

REALIZABLE AND INCOME PRODUCING

Fiscal Year	Yearly Increase or Decrease*				Loans, Cash and Accts. Receivable	Total
	Total \$	\$	Hydro \$	O.N.T.C. \$	\$	
1914.....	41,716,000		10,110,000	20,246,000	5,066,000	35,422,000
1915.....	50,275,000	8,559,000	12,316,000	20,483,000	8,007,000	40,806,000
1916.....	59,336,000	9,061,000	21,939,000	21,184,000	7,684,000	50,807,000
1917.....	61,825,000	2,489,000	27,489,000	21,594,000	5,805,000	54,888,000
1918.....	75,309,000	13,484,000	36,244,000	21,823,000	9,477,000	67,544,000
1919.....	97,032,000	21,723,000	47,700,000	22,335,000	13,882,000	83,917,000
1920.....	127,262,000	30,230,000	65,717,000	22,681,000	16,009,000	104,407,000
1921.....	202,446,000	75,184,000	102,946,000	23,599,000	31,292,000	157,837,000
1922.....	233,189,000	30,743,000	116,786,000	25,654,000	30,704,000	173,144,000
1923.....	291,025,000	57,836,000	124,360,000	28,075,000	37,612,000	190,047,000
1924.....	329,508,000	38,483,000	135,045,000	30,208,000	45,262,000	210,515,000
1925.....	332,391,000	2,883,000	141,717,000	30,208,000	27,885,000	199,810,000
1926.....	349,116,000	16,725,000	142,473,000	30,208,000	31,899,000	204,580,000
1927.....	368,920,000	19,804,000	147,120,000	30,208,000	33,813,000	211,141,000
1928.....	394,114,000	25,194,000	152,936,000	30,208,000	37,176,000	220,320,000
1929.....	426,914,000	32,800,000	164,522,000	30,208,000	44,007,000	238,737,000
1930.....	473,372,000	46,458,000	176,799,000	30,208,000	53,587,000	260,594,000
1931.....	520,667,000	47,295,000	188,377,000	30,208,000	58,055,000	276,640,000
1932.....	574,419,000	53,752,000	189,635,000	30,208,000	76,902,000	296,745,000
1933.....	594,128,000	19,709,000	187,965,000	30,208,000	76,514,000	294,687,000
1934.....	655,761,000	61,633,000	187,829,000	37,208,000	72,247,000	297,284,000
1935***.....	674,386,000	18,625,000	187,878,000	37,208,000	70,885,000	295,971,000
1936.....	689,559,000	15,173,000	172,735,000	36,408,000	74,377,000	283,520,000
1937.....	656,460,000	33,099,000*	151,573,000	30,208,000	69,243,000	251,024,000
1938.....	678,075,000	21,615,000	149,621,000	30,208,000	59,952,000	239,781,000
1939.....	712,767,000	34,692,000	147,841,000	30,208,000	56,450,000	234,499,000
1940.....	737,078,000	24,311,000	145,319,000	30,208,000	54,348,000	229,875,000
1941.....	729,648,000	7,430,000*	137,600,000	30,208,000	55,640,000	223,448,000
1942.....	724,771,000	4,877,000*	135,904,000	30,208,000	51,531,000	217,643,000
1943.....	704,864,000	19,907,000*	121,684,000	30,208,000	57,531,000	209,423,000
1944.....	666,528,000	38,336,000*	105,150,000	30,208,000	48,676,000	184,034,000
1945.....	646,484,000	20,044,000*	95,475,000	30,208,000	40,492,000	166,175,000
1946.....	639,315,000	7,169,000*	93,946,000	30,208,000	36,742,000	160,896,000
1947.....	645,221,000	5,906,000	89,513,000	30,208,000	32,414,000	152,134,000
1948.....	628,388,000	16,833,000*	87,850,000	30,208,000	43,577,000	161,635,000
1949.....	628,663,000	275,000	71,868,000	30,208,000	42,912,000	144,988,000
1950.....	694,009,000	65,346,000	70,209,000	30,208,000	84,773,000	185,190,000
1951.....	697,963,000	3,954,000	67,424,000	30,208,000	78,781,000	176,413,000
1952.....	826,228,000	128,265,000	165,692,000	30,208,000	75,693,000	271,593,000
1953.....	896,143,000	69,915,000	203,702,000	30,208,000	58,158,000	292,068,000

**Population is computed at the fiscal year end on the assumption that a uniformly equal change occurred in each of the twelve months between the annual June estimates of the Dominion Bureau of Statistics.

***Five months ended March 31st.

NOTE—Actual figures to actual \$1,000.

NET DEBT

1914-1953

ASSETS		NET DEBT			
Yearly Increase or Decrease*	Total	Yearly Increase or Decrease*	Population	Per Capita Net Debt	Fiscal Year
\$	\$	\$	**	\$	
.....	6,294,000	.....	2,713,000	2.32	1914
5,384,000	9,469,000	3,175,000	2,719,000	3.48	1915
10,001,000	8,529,000	940,000*	2,718,000	3.14	1916
4,081,000	6,937,000	1,592,000*	2,732,000	2.54	1917
12,656,000	7,765,000	828,000	2,763,000	2.81	1918
16,373,000	13,115,000	5,350,000	2,820,000	4.65	1919
20,490,000	22,855,000	9,740,000	2,893,000	7.90	1920
53,430,000	44,609,000	21,754,000	2,953,000	15.11	1921
15,307,000	60,045,000	15,436,000	2,994,000	20.06	1922
16,903,000	100,978,000	40,933,000	3,032,000	33.30	1923
20,468,000	118,993,000	18,015,000	3,081,000	38.62	1924
10,705,000*	132,581,000	13,588,000	3,133,000	42.32	1925
4,770,000	144,536,000	11,955,000	3,187,000	45.35	1926
6,561,000	157,779,000	13,243,000	3,244,000	48.64	1927
9,179,000	173,794,000	16,015,000	3,301,000	52.65	1928
18,417,000	188,177,000	14,383,000	3,356,000	56.07	1929
21,857,000	212,778,000	24,601,000	3,405,000	62.49	1930
16,046,000	244,027,000	31,249,000	3,449,000	70.75	1931
20,105,000	277,674,000	33,647,000	3,489,000	79.59	1932
2,058,000*	299,441,000	21,767,000	3,525,000	84.95	1933
2,597,000	358,477,000	59,036,000	3,557,000	100.78	1934
1,313,000*	378,415,000	19,938,000	3,570,000	106.00	1935
12,451,000*	406,039,000	27,624,000	3,601,000	112.76	1936
32,496,000*	405,436,000	603,000*	3,632,000	111.63	1937
11,243,000*	438,294,000	32,858,000	3,666,000	119.56	1938
5,282,000*	478,268,000	39,974,000	3,702,000	129.19	1939
4,624,000*	507,203,000	28,935,000	3,741,000	135.58	1940
6,427,000*	506,200,000	1,003,000*	3,781,000	133.88	1941
5,805,000*	507,128,000	928,000	3,868,000	131.11	1942
8,220,000*	495,441,000	11,687,000*	3,910,000	126.71	1943
25,389,000*	482,494,000	12,947,000*	3,955,000	122.00	1944
17,859,000*	480,309,000	2,185,000*	3,994,000	120.26	1945
5,279,000*	478,419,000	1,890,000*	4,078,000	117.32	1946
8,762,000*	493,087,000	14,668,000	4,162,000	118.47	1947
9,501,000	466,753,000	26,334,000*	4,259,000	109.59	1948
16,647,000*	483,675,000	16,922,000	4,361,000	110.91	1949
40,202,000	508,819,000	25,144,000	4,456,000	114.19	1950
8,777,000*	521,550,000	12,731,000	4,577,000	113.95	1951
95,180,000	554,635,000	33,085,000	4,738,000	117.06	1952
20,475,000	604,075,000	49,440,000	4,875,000	123.91	1953

APPENDIX II

ECONOMIC STATEMENTS

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ONTARIO'S POPULATION, BIRTHS, DEATHS AND NATURAL INCREASE, 1925 TO 1953¹

Ontario's population during the period June 1, 1925 to June 1, 1953 has grown by 1,786,000 or 57.4 per cent. This growth has not been uniform, but has varied with changing economic and social conditions during the periods of war and peace. The birth rate dipped sharply during the depression years of the 1930's, rose moderately over the early 1940's, eased off slightly during the last two years of World War II and in 1946 commenced a sustained upward trend. Immigration to Ontario, which from time to time has played an important role in the Province's population increase, dropped from 62,000 in 1925 to a mere trickle during the depression and war years and only revived with the advent of peace in 1945. During the fourteen years preceding 1939, the Province's population rose by 597,000 or 19.2 per cent, in sharp contrast to the population gain of 1,189,000 or 32.1 per cent which has taken place in the fourteen year period since 1939.

Ontario's population gain has been especially rapid since the end of World War II. During this period, births have averaged 112,000 annually, and natural increase (births less deaths) 68,700. Post war immigration to Ontario has amounted to 52 per cent of the total for Canada, or 495,000, although not all of these have remained in the Province. In addition, the Province has experienced a substantial net gain through inter-provincial migration.

In 1925, Ontario's birth rate stood at 22.5, but for the next fourteen years the trend, in general, was downward with a low of 16.9 recorded for 1937 and 17.3 in 1939. Thereafter, the birth rate took an upswing and during the war years slowly inched upward to a level which compared favourably with that during the initial years of the depression. The return of peace in 1945 was followed by an upward surge in the birth rate which reached 26.1 by 1947 and, after a moderate decline, again shot upward to establish an all time high of 26.6 in 1953. The pattern of Ontario's rate of natural increase has closely paralleled that of the birth rate. In 1925, it stood at 11.6 and then dropped gradually until a low of 6.4 was recorded in 1937. The following year saw a brief recovery in the natural increase rate, but in 1939 it again fell off and declined to 7.2. After 1939 the trend was reversed and the natural increase rate climbed slowly, until by 1947 it reached 16.1. For the next three years, the rate was below the 1947 peak although it remained relatively stable at around 14.4, but from 1950 on it took an upswing and in 1953 established a new high of 17.3.

In 1953, Ontario's birth registrations were 5.7 per cent higher than those of a year ago; Quebec's registered an increase of 0.8 per cent and

¹Population figures are census tabulations and intercensal estimates as published by D.B.S., Ottawa. Other vital statistics are compiled from D.B.S., monthly reports—Births, Marriages and Deaths in Canada, and the Ontario Annual Report, December, 1951.

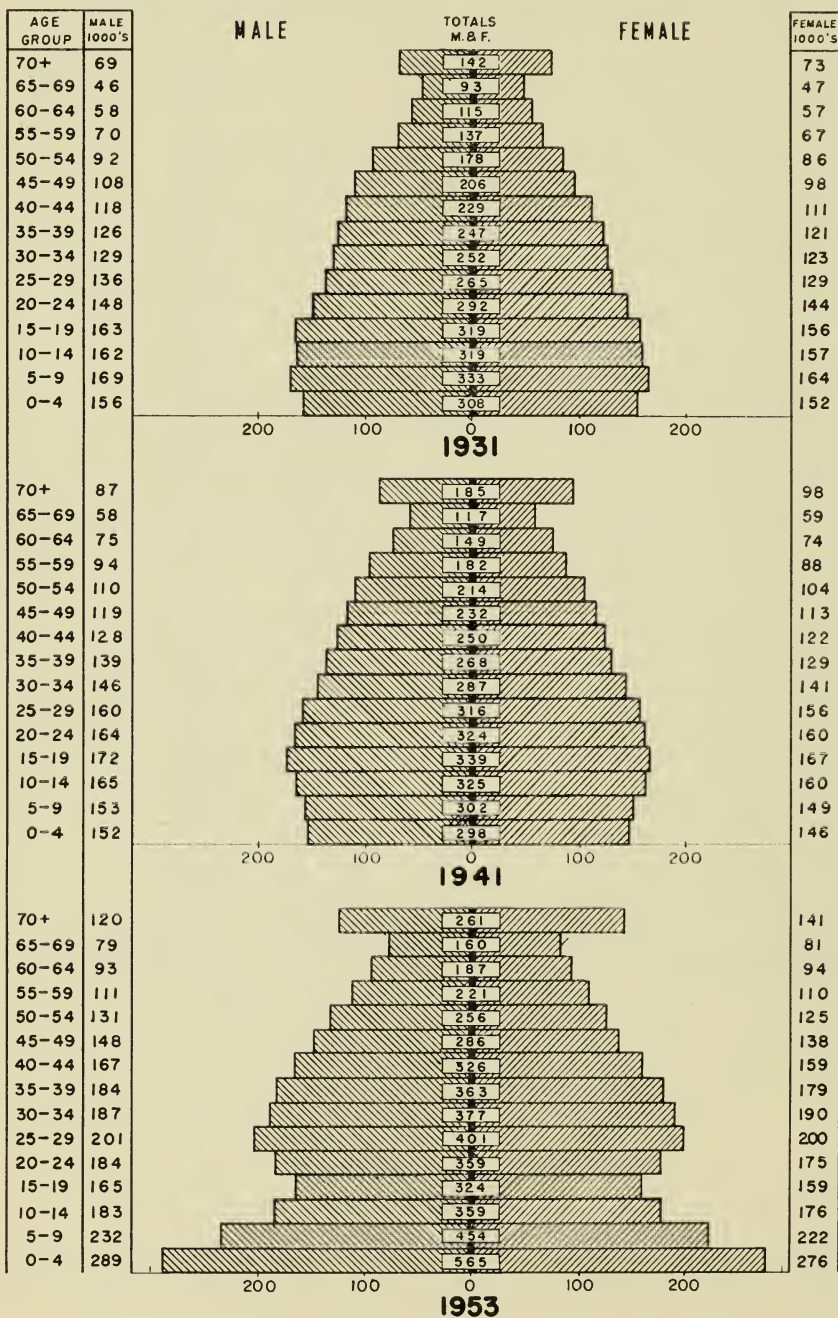
Canada's 4.0 per cent. Ontario's natural increase amounted to 84,700 or 5,300 above the previous high in 1952. The rates of both births and natural increase have reached the highest level this Province has experienced in its history.

ONTARIO VITAL STATISTICS—HISTORICAL SERIES, 1952 to 1953

Year	Population (June 1)	Births	Birth Rate per 1,000 Population	Deaths	Natural Increase	Natural Increase Rate per 1,000 Population
1925	3,111,000	70,122	22.5	33,960	36,162	11.6
1926	3,164,000	67,617	21.4	35,909	31,708	10.0
1927	3,219,000	67,671	21.0	34,775	32,896	10.2
1928	3,278,000	68,510	20.9	37,128	31,382	9.6
1929	3,334,000	68,458	20.5	38,123	30,335	9.1
1930	3,386,000	71,263	21.0	37,313	33,950	10.0
1931	3,431,683	69,209	20.2	35,705	33,504	9.8
1932	3,473,000	66,842	19.2	36,469	30,373	8.7
1933	3,512,000	63,646	18.1	35,301	28,345	8.1
1934	3,544,000	62,234	17.6	35,119	27,115	7.7
1935	3,575,000	63,069	17.6	36,317	26,752	7.5
1936	3,606,000	62,451	17.3	37,571	24,880	6.9
1937	3,637,000	61,645	16.9	38,475	23,170	6.4
1938	3,672,000	65,564	17.9	36,890	28,674	7.8
1939	3,708,000	64,123	17.3	37,530	26,593	7.2
1940	3,747,000	68,524	18.3	38,503	30,021	8.0
1941	3,787,655	72,262	19.1	39,226	33,036	8.7
1942	3,884,000	78,192	20.1	39,119	39,073	10.1
1943	3,915,000	81,173	20.7	41,063	40,110	10.2
1944	3,963,000	78,090	19.7	39,781	38,309	9.7
1945	4,000,000	78,974	19.7	39,499	39,475	9.9
1946	4,093,000	97,446	23.8	39,758	57,688	14.1
1947	4,176,000	108,853	26.1	41,619	67,234	16.1
1948	4,275,000	104,195	24.4	42,364	61,831	14.5
1949	4,378,000	106,601	24.3	43,379	63,222	14.4
1950	4,471,000	108,708	24.3	43,948	64,760	14.5
1951	4,597,542	114,827	25.0	43,981	70,846	15.4
1952	4,766,000	123,891	26.0	44,402	79,489	16.7
1953 ¹	4,897,000	130,350	26.6	45,601	84,749	17.3

¹Figures showing birth and death registrations in 1953 are provisional and will be revised on the basis of residence.

ONTARIO'S POPULATION BY SEX AND AGE GROUP (IN THOUSANDS)



**POPULATION INCREASE IN ONTARIO, CANADA EXCLUDING ONTARIO,
AND ALL OF CANADA, BY CENSUS YEARS, 1871 TO 1951, AND
BY YEARS, 1939 TO 1953**

Year	Population (000)	Ontario Increase		Canada Excluding Ontario			All of Canada Increase		
		No. (000)	Percent %	Population (000)	No. (000)	Percent %	Population (000)	No. (000)	Percent %
		By Census Years, 1871 to 1951, Showing Decennial Increase							
1871	1,621	225	16.1	2,068	235	12.8	3,689	460	14.2
1881	1,927	306	18.9	2,398	330	15.9	4,325	636	17.2
1891	2,114	187	9.7	2,719	321	13.4	4,833	508	11.8
1901	2,183	69	3.2	3,188	469	17.3	5,371	538	11.1
1911	2,527	344	15.8	4,680	1,492	46.8	7,207	1,836	34.2
1921	2,934	407	16.1	5,854	1,174	25.1	8,788	1,581	21.9
1931	3,432	498	17.0	6,945	1,091	18.6	10,377	1,589	18.1
1941	3,788	356	10.4	7,719	774	11.1	11,507	1,130	10.9
1951 ¹	4,598	810	21.4	9,050	1,331	17.2	13,648	2,141	18.6
1951 ²	4,598	810	21.4	9,411	1,692	21.9	14,009	2,502	21.7
By Years, 1939 to 1953, Showing Annual Increase									
1939	3,708	36	1.0	7,559	79	1.1	11,267	115	1.0
1940	3,747	39	1.1	7,634	35	1.0	11,381	114	1.0
1941	3,788	41	1.1	7,719	85	1.1	11,507	126	1.1
1942	3,884	96	2.5	7,770	51	0.7	11,654	147	1.3
1943	3,915	31	0.8	7,880	110	1.4	11,795	141	1.2
1944	3,963	48	1.2	7,983	103	1.3	11,946	151	1.3
1945	4,000	37	0.9	8,072	89	1.1	12,072	126	1.1
1946	4,093	93	2.3	8,199	127	1.6	12,292	220	1.8
1947	4,176	83	2.0	8,375	176	2.1	12,551	259	2.1
1948	4,275	99	2.4	8,548	173	2.1	12,823	272	2.2
1949 ³	4,378	103	2.4	9,069	521	6.1	13,447	624	4.9
1950	4,471	93	2.1	9,241	172	1.9	13,712	265	2.0
1951	4,598	127	2.8	9,411	170	1.8	14,009	297	2.2
1952	4,766	168	3.7	9,664	253	2.7	14,430	421	3.0
1953	4,897	131	2.7	9,884	220	2.3	14,781	351	2.4

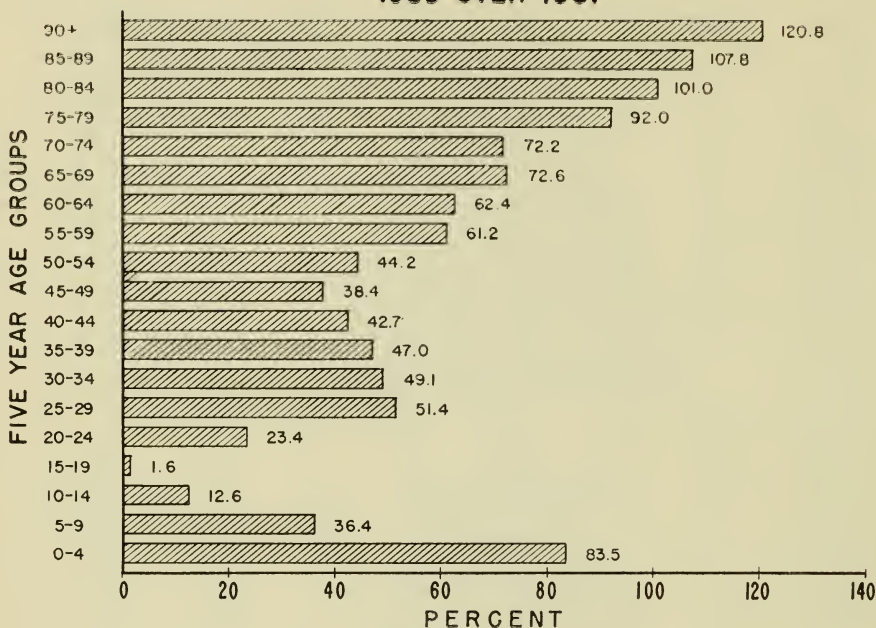
¹Excludes Newfoundland.

²Includes Newfoundland.

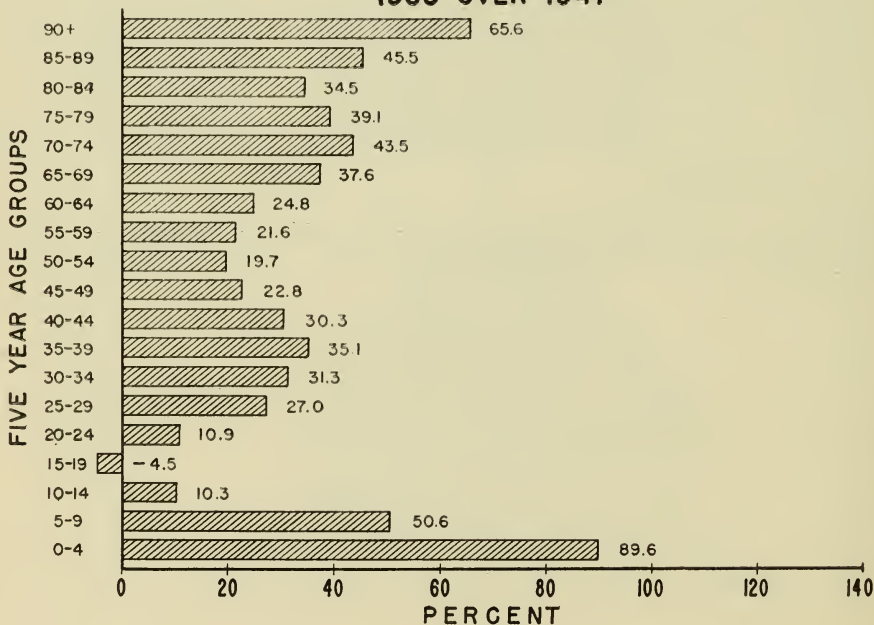
³The large population increase experienced by Canada in this year was due to the entry of Newfoundland into Confederation on March 31. On June 1, 1949, Newfoundland had a population of 345,000.

PERCENTAGE INCREASE OF ONTARIO'S POPULATION BY FIVE YEAR AGE GROUPS, 1953 OVER 1931 & 1941

1953 OVER 1931



1953 OVER 1941



IMMIGRANT ARRIVALS, ONTARIO AND CANADA, SELECTED YEARS, 1939 TO 1953¹

During the depression years of the 1930's and again over the period of World War II, immigration to Canada dropped to token numbers. The return of peace in 1945 was followed by a large upward movement in the volume of immigration until, in 1948, over 125,000 persons entered Canada, of whom nearly 62,000 settled in Ontario. For the next two years, the flood of immigration receded somewhat, and then in 1951 surged forward to establish a post-war peak in Canadian immigration when 194,000 entered the country. Of this number, 105,000 gave Ontario as their province of destination. The volume of immigration received by Ontario in the post war period can only be compared with that in the years prior to World War I, although it is believed that a higher proportion of immigrants now remain in the Province than was the case during earlier periods of mass immigration to this country.

The entry of 168,900 immigrants into Canada in 1953 was about 3 per cent higher than in the previous year. Although the level of immigration in 1953 was 13.1 per cent below that of the post war peak in 1951, it is still the second highest year on record since 1913 when a total of 400,870 immigrants entered the country. Immigration from the United Kingdom, which accounted for 27.9 per cent of total immigration to Canada in 1953, increased by 10.3 per cent over 1952, while the level of immigration from the United States remained virtually unchanged. Immigration from Northern European and other countries, which together accounted for two thirds of Canada's immigration in 1953, rose by 10.1 per cent and fell by 12.7 per cent, respectively. In 1953, a total of 90,120 immigrants or 53.4 per cent of all immigrants to Canada gave Ontario as their destination. In the post war period, 1946 to 1953, Ontario received over 495,000 immigrants or 51.7 per cent of the total for Canada.

Calendar Year	Canada			Total	Immigrants Giving Ontario as their Destination	Ontario % Canada
	U.K.	U.S.	Immigrants from Other Countries			
1939	3,098	5,654	8,242	16,994	5,957	35.1
1945	10,853	6,394	5,475	22,722	9,342	41.1
1946	50,984	11,474	9,261	71,719	29,604	41.3
1947	35,957	9,444	18,726	64,127	35,543	55.4
1948	43,724	7,393	74,297	125,414	61,621	49.1
1949	22,201	7,744	65,272	95,217	48,607	51.0
1950	13,427	7,799	52,686	73,912	39,041	52.8
1951	31,370	7,732	155,289	194,391	104,842	53.9
1952	42,675	9,306	112,517	164,498	86,059	52.3
1953	47,077	9,379	112,412	168,868	90,120	53.4

¹Immigration 1939-1947, *Canada Year Book*, 1950, p. 186; 1948-1953, statements issued by the Department of Citizenship and Immigration, Ottawa.

HOUSING STARTS, COMPLETIONS AND CARRY-OVERS IN ONTARIO, 1945 TO 1953¹

During the period 1945 to 1953, nearly 253,000 new housing units and conversions were completed in Ontario. In the last six years a total of 183,515 new dwelling units were constructed in Ontario, representing 36.4 per cent of the volume of all new housing construction in Canada.

The volume of Ontario's new residential construction in 1953 broke all previous records. New housing completions, numbering 35,173, were up 28 per cent over those of 1952 and were 3,441 higher than the previous record set in 1951. The number of starts made on new housing construction totalled 38,873, nearly 30 per cent higher than in 1952 and 4,850 above the previous record established in 1949. In addition, the carry-over of 24,134 new housing units under construction at the year's end was a near record mark and indicates that the high level of new housing completions will carry forward into 1954.

In 1953, 80 per cent of Ontario's new housing completions consisted of one-family detached dwellings, 18 per cent were apartments and the balance of 2 per cent was two-family detached or row housing. An average of 6.6 months was required to complete a dwelling unit in Ontario during the past year compared with 7.8 months in 1952 and 7.5 months in 1951.

Year		Starts	Completions			Carry-Over
			New Units	Conversions	Total	
1945	Total	N.A.	13,100	2,000	15,100	N.A.
1946	Total	N.A.	19,600	1,700	21,300	12,706
1947	Total	N.A.	22,500	2,200	24,700	17,243
1948	Total	29,976	26,391	2,273	28,664	21,112
	Urban	21,547	18,207			16,382
	Rural	8,429	8,184			4,730
1949	Total	34,023	31,440	1,264	32,704	23,585
	Urban	23,107	23,144			16,270
	Rural	10,916	8,296			7,315
1950	Total	33,430	31,318	1,178	32,496	24,331
	Urban	28,428	24,267			19,740
	Rural	5,002	7,051			4,591
1951	Total	27,349	31,732	973	32,705	19,258
	Urban	21,680	26,530			13,159
	Rural	5,669	5,202			6,099
1952	Total	30,016	27,461	985	28,446	20,513
	Urban	24,723	22,601			15,713
	Rural	5,293	4,860			4,800
1953	Total	38,873	35,173	1,331	36,504	24,134
	Urban	30,348	28,324			17,591
	Rural	8,525	6,849			6,543
Total 1945 to 1953, inclusive					<u>252,619</u>	

¹Figures for the years 1945 to 1947 are estimated. A detailed account of the method used in computing these estimates is given in the Ontario Budget Statement of March 12, 1953, p. 38. Figures for the years 1948 to 1953 have been obtained from monthly publications of the Dominion Bureau of Statistics entitled "New Residential Construction."

PERSONAL INCOME IN ONTARIO AND CANADA, 1939 TO 1953¹

Personal income in Ontario climbed from \$1.8 billion in 1939 to \$3.8 billion in 1946 and to a level estimated at over \$7.1 billion in 1953. The overall increase for the Province during this period is \$5.4 billion or 305 per cent. Personal income in Canada, over the same period, rose from \$4.3 billion to \$18.0 billion.

Ontario's share of the Canadian personal income reached a peak of 42.8 per cent in 1941 and then gradually declined to a low of 38.6 per cent in 1948. Since then, it has risen to about 39.7 per cent.

On a per capita basis, personal income has continued at a substantially higher level in Ontario than for Canada as a whole. In 1953, estimated personal income amounted to \$1,460 for every person in the Province compared with \$1,221 for Canada.

Year	Ontario		Canada		Ontario as % of Canada %
	Amount (millions \$)	Per Capita \$	Amount (millions \$)	Per Capita \$	
1939.....	1,766	476	4,320	383	40.9
1940.....	2,059	550	4,947	435	41.6
1941.....	2,522	666	5,896	512	42.8
1942.....	3,002	773	7,475	641	40.2
1943.....	3,367	860	8,176	693	41.2
1944.....	3,566	900	9,002	754	39.6
1945.....	3,729	932	9,239	765	40.4
1946.....	3,821	934	9,761	794	39.1
1947.....	4,068	974	10,390	828	39.2
1948.....	4,608	1,078	11,943	931	38.6
1949.....	4,953	1,131	12,757	949	38.8
1950.....	5,306	1,187	13,414	978	39.6
1951.....	6,166	1,341	15,711	1,121	39.2
1952.....	6,714	1,409	17,073	1,183	39.3
1953.....	7,150 ²	1,460	18,013	1,221	39.7

¹National Accounts, Income and Expenditure, 1926-1950, p. 62, and Preliminary 1953, p. 10.

²Estimated.

**WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME
IN ONTARIO AND CANADA, SELECTED YEARS,
1939 TO 1953¹**

Wages, salaries and supplementary labour income in Ontario, as for Canada, reached a new peak in 1953. In Ontario, for the first time in the history of the Province, wages and salaries climbed to an estimated \$5 billion. This represents an increase of 8.6 per cent over 1952 and is close to being five times the nearly \$1.1 billion of 1939.

Wages and salaries for all of Canada reached a record high of \$11.7 billion in 1953. This compares with \$2.6 billion in 1939 and 5.3 billion in 1946. In 1953, Ontario accounted for approximately 42.9 per cent of the sum total of wages, salaries and supplementary labour income earned in Canada.

Year	Ontario (millions of dollars)	Canada	Ontario as % of Canada
1939	1,092	2,575	42.4
1946	2,189	5,323	41.1
1947	2,584	6,221	41.5
1948	3,010	7,170	42.0
1949	3,246	7,761	41.8
1950	3,507	8,311	42.2
1951	4,152	9,676	42.9
1952	4,605	10,743	42.9
1953	5,000 ²	11,655	42.9

¹National Accounts, Income and Expenditure, 1926-1950, and 1953 (preliminary).

²Estimated.

NET INCOME OF AGRICULTURE AND OTHER UNINCORPORATED BUSINESS IN ONTARIO AND CANADA, SELECTED YEARS, 1939 TO 1953¹

Net income of agriculture and other unincorporated business in Ontario, as in the whole of Canada, for the second consecutive year, declined below the peak level attained in 1951. In 1953, total net income of Canadian agriculture and other unincorporated business amounted to \$3,251 million, a decline of \$180 million or 5.2 per cent below the previous year and \$394 million less than the record of \$3,645 million of 1951. The continued fall in Canadian farm net income is attributed to several factors. The 1953 grain crop was one of the highest on record, but it was still substantially below that of 1952. At the same time, hog production was somewhat under that of the previous year. Finally, although the level of Canadian farm operating costs eased below that of 1952, the drop in the level of prices received by farmers from the sale of farm products in 1953 was more pronounced. Declines in some branches of agricultural production, together with a falling off in the price level of agricultural commodities, were responsible for smaller additions to farm inventories and a lower level of farm cash income in 1953.

Ontario's farm cash income in 1953 at \$692.1 million was below that of the previous year, but showed a relative improvement in accounting for 25.9 per cent of the total for Canada compared with 25.7 per cent in 1952. The value of Ontario's field crops amounted to \$302 million, while the production of dairy products totalled \$167 million. The production of tobacco, one of Ontario's more important special cash crops, amounted to 123 million pounds valued at \$54 million.

Net income of other unincorporated business in Ontario probably rose by about the same percentage as for Canada, or 6 per cent. This has helped to establish Ontario's total net farm and other unincorporated business income at \$990 million. In 1953, Ontario's share of the total Canadian net income obtained from agriculture and other unincorporated business was approximately 30.5 per cent.

Year	Ontario (millions of dollars)	Canada	Ontario as % of Canada
1939.....	306	899	34.0
1946.....	732	2,161	33.9
1947.....	789	2,350	33.6
1948.....	932	2,953	31.6
1949.....	966	2,969	32.5
1950.....	990	2,846	34.8
1951.....	1,125	3,645	30.9
1952.....	1,016	3,431	29.6
1953.....	990 ²	3,251	30.5

¹National Accounts, Income and Expenditure, 1949-1952 and 1953 (preliminary). Net income of agriculture excludes undistributed earnings (and the inventory valuation adjustment) of the Canadian Wheat Board.

²Estimated.

AGRICULTURAL TRENDS IN ONTARIO, 1931 TO 1953

Current Dollars	1931 \$	1941 \$ (000's omitted)	1951 \$	1953 ¹ \$	% Increase 1953/1931
FINANCIAL:					
Gross Value of Production..	293,224	473,378	1,262,088	1,046,600	257
Net Value of Production...	152,476	236,479	650,579	568,824	273
Farm Gross Income.....	230,795	322,713	977,205	843,902	266
Farm Net Income.....	90,135	170,283	578,469	440,875	389
Farm Cash Income.....	157,318	277,938	790,934	692,000	340
INDEX NUMBERS IN CURRENT DOLLARS					
Gross Value of Production..	100	161	430	357	
Net Value of Production...	100	155	427	373	
Farm Gross Income.....	100	140	423	366	
Farm Net Income.....	100	189	642	489	
Farm Cash Income.....	100	177	503	440	
INDEX NUMBERS IN CONSTANT 1935-1939 DOLLARS²					
Gross Value of Production..	100	130	132	127	
Net Value of Production...	100	125	131	133	
Farm Gross Income.....	100	120	195	164	
Farm Net Income.....	100	170	337	251	
Farm Cash Income.....	100	148	212	181	
FARM MACHINERY AND IMPLEMENTS³:					
Motor Trucks.....	14,586	17,537	41,486	.....	% Increase 1951/1931 184
Tractors.....	18,993	35,460	105,204	.....	454
Grain Combines.....	.....	796	10,031	.....	..
Threshing Machines.....	8,490	9,094	15,946	.....	88
FARM ELECTRIFICATION⁴:					
Farm Customers Billed.....	20,000	58,000	123,000	133,000	% Increase 1953/1931 565
RURAL ELECTRIFICATION^{4,6}:					
Rural Customers Billed (All Types).....	.....	136,164	318,606	371,855	% Increase 1953/1943 173
Miles of Hydro-Electric Line .....	.....	20,087	38,198	41,582	107
FARM AMENITIES³:					
Total Occupied Dwellings ..	.....	180,064	166,955	.....	% Increase 1951/1941 —7
Electric Lighting ⁵.....	.....	67,164	127,225	.....	89
Furnace Heating.....	.....	33,312	48,260	.....	45
Inside Running Water.....	.....	25,209	68,170	.....	170
Private Bath or Shower.....	.....	19,267	42,055	.....	118
Flush Toilet—Private.....	.....	17,106	41,935	.....	145
Mechanical Refrigeration...	.....	16,746	71,015	.....	324
Radio.....	.....	118,474	147,655	.....	25
Telephone.....	.....	91,093	113,940	.....	25
Electric Vacuum Cleaner...	.....	19,865	58,815	.....	196
FARMERS AND FARM LABOUR FORCE³:					
Farmers and Stock Raisers ..	165,689	159,980	132,803	.....	% Decrease 1951/1931 —20
Agricultural Labour Force..	305,287	270,267	203,368	.....	—33

¹Preliminary estimates—subject to revision.

²Value figures deflated by the Index of Farm Prices of Agricultural Products in Ontario on the base 1935-1939=100; income figures by the Price Index of Commodities and Services used by Farmers (Eastern Canada) on the base of 1935-1939=100, as issued by the Dominion Bureau of Statistics.

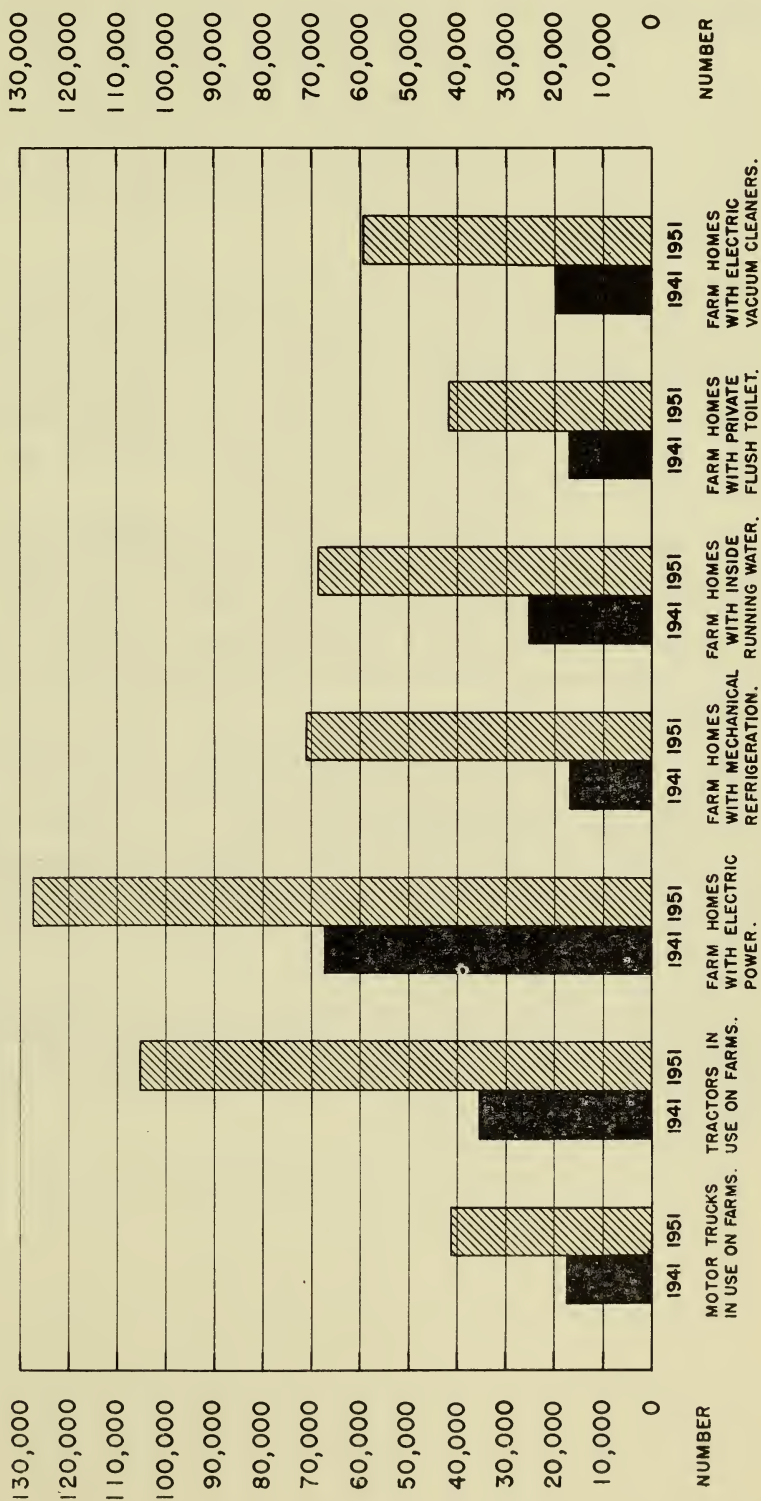
³Source: Dominion Bureau of Statistics—Census Tracts and Publications.

⁴Estimated from Annual Reports of Ontario Hydro-Electric Power Commission.

⁵Includes privately generated supplies.

⁶Owing to a change in the method of classification, figures shown under 1941 are for the year 1943; the increase has, therefore, occurred over the period 1943-1953. Rural customers include farm customers.

PROVINCE OF ONTARIO SOME FARM IMPROVEMENTS BETWEEN THE CENSUS YEARS 1941 AND 1951



COMBINED PRIVATE AND PUBLIC CAPITAL INVESTMENT IN ONTARIO AND CANADA, 1940 TO 1953¹

The upward trend in the annual level of Canada's post war new capital investment was continued in 1953 when an all time high of over \$5.4 billion was spent in construction, machinery and equipment. The current level of new capital investment is more than five times that of 1940 and more than four times the \$1.3 billion of 1945.

In the fourteen years since 1939, Canada's combined private and public capital investment has totalled \$37.9 billion. In 1940, Canada's new capital investment accounted for 15.3 per cent of the gross national product. This proportion fell gradually during the war years until a low of 10.8 per cent was recorded in 1945. Since then, the ratio has increased rapidly until in 1953 new capital investment represented 22.4 per cent of the market value of the nation's total production.

The pattern of capital investment in Ontario closely resembles that for Canada. In 1940, this form of investment totalled less than \$400 million compared with \$2.1 billion in 1953. Since 1939, a total of \$14.4 billion has been invested in the Province's industrial plant, machinery and equipment, housing, highways and electric power, representing 38 per cent of the total for Canada.

The role of Ontario as Canada's leading manufacturing province is reflected in the amount of new capital investment which has been poured into the Province's manufacturing industries. In the last six years alone, this investment has amounted to \$2.1 billion, accounting for nearly 22 per cent of Ontario's total new capital investment during the period and 50 per cent of the investment in new manufacturing capacity for Canada as a whole.

¹Capital investment data for Canada and Ontario have been taken from publications of the Department of Trade and Commerce, Ottawa; for the years 1948 and 1949, *Private and Public Investment in Canada, 1926-1951*, p. 201, and for the years 1950-1953, *Private and Public Investment in Canada, Outlook 1952*, p. 17 and *Outlook 1953* (Canada and Regional Estimates).

Year	CAPITAL INVESTMENT			Canada's G.N.P. (millions \$)	Capital Investment in Canada as % of G.N.P.
	Canada (millions \$)	Ontario (millions \$)	Ontario as % of Canada		
1940.....	1,048	2,739 ¹	40.0	6,872	15.3
1941.....	1,463			8,517	17.2
1942.....	1,542			10,539	14.6
1943.....	1,485			11,183	13.3
1944.....	1,309			11,954	11.0
1945.....	1,284	2,048 ¹	37.4	11,850	10.8
1946.....	1,703			12,026	14.2
1947.....	2,489			13,768	18.1
1948.....	3,175	1,183	37.3	15,613	20.3
1949.....	3,502	1,297	37.1	16,462	21.3
1950.....	3,815	1,419	37.2	18,203	21.0
1951.....	4,574	1,740	38.0	21,466	21.3
1952.....	5,122	1,926	37.6	23,110	22.2
1953.....	5,421	2,055	37.9	24,242	22.4
Total.....	<u>37,932</u>	<u>14,407</u>	<u>38.0</u>		

¹Estimated.

CAPITAL INVESTMENT IN ONTARIO, BY INDUSTRY, 1950 TO 1953¹

Industry	1950	1951 (millions of dollars)	1952	1953
Primary Industry and Construction				
Industry.....	197.3	211.7	207.2	198.3
Manufacturing.....	217.9	395.2	492.7	457.2
Utilities.....	314.7	361.1	416.8	454.8
Trade, Finance and Commercial Services...	166.6	175.0	125.4	182.7
Residential Housing.....	317.9	333.3	318.7	358.5
Institutional Services and Direct				
Government.....	204.8	263.7	365.5	403.3
Grand Total.....	<u>1,419.2</u>	<u>1,740.0</u>	<u>1,926.3</u>	<u>2,054.8</u>

¹Private and Public Investment in Canada, Outlook 1952, p. 22, and Outlook, 1953 (Regional Estimates), p. 6.

ESTIMATE OF PROVINCIAL-MUNICIPAL CAPITAL INVESTMENT IN ONTARIO, 1950-51 TO 1953-54

(Does not include expenditures or grants for repairs and maintenance)

	Fiscal Years or Nearest Calendar Years 1950-51 1951-52 1952-53 1953-54 (Thousands of Dollars)			
1. Direct Capital Expenditures of the Ontario Government—				
Highways.....	36,001	48,525	63,144	71,750
Public Works.....	8,971	9,890	9,698	19,436
Hydro-Rural Power Extensions ..	7,297	10,224	8,826	9,700
Resources Development ¹	12,500	13,200	13,700	16,071
Education ²	623	704	1,180	1,307
Grants to Hospitals and Sanatoria	2,083	9,170	14,644	10,325
Grants for Community Centres ..	425	428	204	174
Grants for New Homes for the Aged	652	1,566	1,111	1,400
Housing Development.....	407	94	2,421	2,000
Miscellaneous.....	1,140	2,300	2,170	1,885
Sub-Total.....	70,099	96,101	117,098	134,048
2. Provincial Commissions, etc.—				
Ontario Hydro.....	171,480 ³	164,618	162,831	191,952
Ontario Northland Railway.....	3,444	4,020	4,499	3,590
University of Toronto.....	1,772	1,041	1,450	2,400
Niagara Parks Commission.....	440	148	80	171
Sub-Total.....	177,136	169,827	168,860	198,113
3. Municipalities ⁴ —				
Schools.....	36,000	38,200	45,000	48,000
Hospitals.....	5,300	8,200	17,700	4,301
Water.....	8,200	28,100	14,700	10,200
Hydro.....	1,200	12,000	6,100	7,207
Sewers.....	12,900	12,800	17,000	9,295
Drains.....	1,400	6,100	1,600	4,977
Pavement, Sidewalks, Bridges, and Road Machinery.....	9,700	12,400	17,700	16,400
Civic Buildings.....	1,500	1,100	1,200	480
Housing.....	400	1,900	1,900	125
Capital Expenditures out of Revenue.....	3,900	4,000	4,700	5,242
Toronto Transportation Commis- sion.....	13,520	17,656	17,000	20,000
Other.....	13,100	14,900	10,800	7,030
Sub-Total.....	107,120	157,356	155,400	133,257
Total of Items 1 to 3 (Less Rural Power Bonus).....	347,058	413,060	432,532	455,718

¹Includes the Departments of Lands and Forests, Mines and Planning and Development.

²Includes expenditures of the Department of Education on Normal Schools, Schools for Blind and Deaf, etc., and provincial grants for capital purposes to Vocational Schools.

³As a result of a change in fiscal year end from October 31 to December 31, the period covered by this amount is fourteen months.

⁴Municipal expenditures, with the exception of those shown for schools, capital expenditures out of revenue and the Toronto Transportation Commission, are 1949, 1950, 1951 and 1952 debenture approvals of capital undertakings.

CURRENT EXPENDITURES BY THE GOVERNMENT OF ONTARIO AND ALL LEVELS OF GOVERNMENT IN CANADA AS A PERCENTAGE OF PERSONAL INCOME

FISCAL YEARS 1938-39 AND 1952-53¹

	1938-39			1952-53		
	Current Expenditures	Personal Income (1938)	Current Expenditures as % Personal Income	Current Expenditures	Personal Income (1952)	Current Expenditures as % Personal Income
	(millions of dollars)		%	(millions of dollars)		%
Ontario Government.....	86.8	1,689	5.1	313.5	6,714	4.7
Federal Government.....	413.0	4,090	10.1	4,243.1	17,073	24.9
Provincial Governments.....	289.2	4,090	7.1	976.5	17,073	5.7
Ontario Municipal Governments...	106.6	1,689	6.3	367.0	6,714	5.5
Canadian Municipal Governments..	288.8	4,090	7.1	680.6	17,073	4.0

¹Compiled from the Bank of Canada Statistical Summary, 1946 Supplement, pp. 39 and 43; the Bank of Canada Statistical Summary, October, 1953, p. 174, and December, 1953, p. 230; Public Accounts of Canada, 1953; Comparative Statistics of Public Finance, 1936-1940, Dominion-Provincial Conference, January, 1941, Table 50; Annual Report of Ontario Municipal Statistics, 1952, pp. xxvi and 131; and National Accounts, Income and Expenditure, Preliminary, 1953, p. 10.

ESTIMATED TAX COLLECTIONS IN ONTARIO BY THE THREE LEVELS OF GOVERNMENT

FISCAL YEARS 1938-39 AND 1952-53

	1938-39 \$ (millions)	% of Total Tax Collections	1952-53 \$ (millions)	% of Total Tax Collections
Federal Government Tax Collections in Ontario ¹ ..	188.5	50.7	1,805.4	77.8
Ontario Government Tax Collections ²	54.6	14.7	241.4	10.4
Ontario Municipal Government Tax Collections ³ ..	128.4	34.6	275.2	11.8
Total.....	<u>371.5</u>	<u>100.0</u>	<u>2,322.0</u>	<u>100.0</u>

¹Any estimate of the Federal Government's tax collections in Ontario must inevitably be approximate. Compilations of the Federal Government's direct taxes, such as corporation and personal income tax and succession duties, are based on the figures published in the report of the Department of National Revenue, "Taxation Statistics." Federal collections of indirect taxes, such as sales and excise taxes, are estimated on the basis of the ratio of retail sales in Ontario to those in Canada.

²Includes taxes such as those on gasoline, mining profits, succession duty and land transfer as well as Ontario's share of income tax collected from privately owned corporations operating public utilities and its receipt of \$123.3 million in fiscal year 1952-53 under the Tax Rental Agreement.

³Includes county rates of \$9.5 million in 1938 and \$16.4 million in 1952. Ontario municipal government tax collections including arrears were compiled from annual reports of Ontario municipal statistics.

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